

irishes

SPORTS
MONDAY

Herald Tribune

INTERNATIONAL

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

R

Paris, Monday, February 23, 1998

No. 35,762

Annan Reaches Deal to Avert Bombing of Iraq

Saddam Expected to Sign Accord Today in Baghdad, but U.S. Is Cautious and Maintains Readiness

BAGHDAD — Kofi Annan, the United Nations secretary-general, and President Saddam Hussein of Iraq settled the last major obstacle Sunday for opening presidential palaces to UN arms inspectors, the main condition for avoiding a U.S. attack, Mr. Annan's spokesman said.

The two sides still had to iron out the language of an agreement.

Mr. Annan and Iraq's deputy prime minister, Tariq Aziz, met late Sunday to agree on the wording of a text that is expected to be signed Monday and that the secretary-general will take back to the Security Council.

"We've reached an agreement. We have a text," said a UN spokesman, Fred Eckhard. "We expect the text will be acceptable to all

15 members of the Security Council," including the United States, he added. An Iraqi official, who insisted that his name not be used, was asked whether there was a deal.

"Yes," he replied.

In Washington, President Bill Clinton, working Sunday afternoon in his White House office, was aware of news reports of the deal but had not been formally briefed, said a spokesman, Joe Lockhart. He added that Mr. Clinton had not ordered any relaxation of military readiness. "Nor would he," and that there were no plans for a meeting on Sunday of the president's national security team.

Mr. Clinton might speak by phone with foreign leaders about the situation, Mr. Lockhart continued, but was unlikely to make any public

comment Sunday. Secretary of State Madeleine Albright said that the United States would be pleased if Mr. Annan returned with a promise that weapons inspectors can resume their work totally free from Iraqi limits or harassment. But "it is possible that he will come with something that we don't like, in which case we will pursue our national interests," Mrs. Albright said on television. (AP, Reuters)

A Measure of Skepticism

Barbara Crosse of the New York Times reported from Baghdad: Given Mr. Saddam's defiance of the United Nations in recent months, officials tend to reserve a measure of caution over the reported deal. Only a small number of sites belonging to the

president appear to be covered by the agreement negotiated by Mr. Annan. Further, some diplomats are saying that it could be just a matter of weeks before inspectors again run into problems of access to other areas beyond the eight formally designated "presidential sites."

The Security Council has demanded that all locations be open at all times to arms inspectors. It was evident Sunday that the hardest negotiations were on one issue, which UN officials called the potential "deal breaker." That was Iraq's insistence that if it opened its presidential sites to inspection, there would be a 60-day limit on access.

UN officials — and all 15 Security Council members — view that demand as unacceptable, although Russian and French diplomats earlier

seemed inclined to accept the time limit. It was only after Moscow and Paris changed their positions on that issue that Mr. Annan felt he could visit Iraq with solid Security Council backing.

The secretary-general apparently had to call in French and Russian ambassadors in Baghdad this weekend and ask them to make it very clear to Iraq that it no longer had any international support for the 60-day deadline.

Mr. Annan appears to have delivered some other tough messages to the Iraqis.

Among those was that if Mr. Saddam refused to negotiate and provoked American bombing, he would discover that the world, including many Arab nations, would support the United

See IRAQ, Page 6

U.S. Reserves Judgment

Officials Await Secretary-General's Report

By Steven Erlanger
New York Times Service

WASHINGTON — Senior Clinton administration officials said Sunday that they would withhold judgment on Kofi Annan's visit to Baghdad until the UN secretary-general returned to give them a detailed briefing.

Even then, the officials said that they would want additional time for experts to study whatever mechanism Mr. Annan may have worked out for inspectors to visit suspected biological and chemical weapons sites in Iraq.

Mr. Annan is not expected to return from Iraq until Tuesday, and U.S. officials are not in constant contact with him over the details of his talks because there is no secure means of telephone communications, senior officials said.

The UN chief's spokesman, Fred Eckhard, said Sunday night in Baghdad that "we've reached an agreement" that Mr. Annan expects "will be acceptable to all 15 members of the Security Council," including the United States.

But even if President Saddam Hus-

sein has agreed to meet American and British requirements for unconditional inspections by UN weapons experts of all suspected sites, "the test of any diplomatic solution will be actions, not words, and that is a test where there is no immediate answer," a senior U.S. official emphasized Sunday.

"We would obviously keep our force presence in the region until there was an opportunity to verify whether or not the access that he had acceded to was in fact available to the inspectors," President Bill Clinton's national security adviser, Sandy Berger, said on the "Fox News Sunday" program.

Secretary of State Madeleine Albright also urged caution in judging reports of a diplomatic breakthrough from Baghdad. Referring to Mr. Annan, she said, "It really is premature to talk about what he has," and then added, "It is possible that he will come with something we don't like, in which case we will pursue our national interest."

She spoke on ABC's "This Week."

See WASHINGTON, Page 6



Kofi Annan, left, being welcomed by Saddam Hussein on Sunday for talks on UN weapons inspections. Between them is an Iraqi translator.

Japan Still Under Fire

As G-7 Meeting Ends

Lack of Stimulus Will Hit Yen, Analysts Say

By Tom Buerkle
International Herald Tribune

LONDON — The frustration of the United States and its Group of Seven partners over Japan's unwillingness to spur its stagnant economy is likely to find quick expression in global currency markets, with the yen expected to come under heavy pressure this week, analysts said Sunday.

The policy clash at a weekend meeting here of G-7 finance officials and central bank governors also sent a worrying signal to the struggling economies of Asia. Countries such as Indonesia would normally look to Japan — the world's second-largest economy and the biggest trading partner to most Asian countries — to assist their turnaround efforts by buying more exports, but the fading prospects for economic growth in Japan will dent those hopes.

"The combination of a lack of fiscal stimulus in Japan and the criticism of Japan in the G-7 are probably going to encourage currency traders to test the downside of the yen," said Kim Schoenholz, chief economist at Salomon Smith Barney. "I doubt it will encourage recovery in Asia."

Avinash Persaud, chief currency analyst at J.P. Morgan in London, said renewed dollar strength against the yen "is going to place renewed pressure on Asian currencies." The dollar rose 1 percent against the yen Friday, to 127.80 yen.

The criticism of Japan overshadowed some positive developments here for Asia. Export-credit agencies from the G-7 and 12 other countries agreed to extend new trade insurance to the region's economies to make up

for the withdrawal of private trade credits. The total could reach \$10 billion to \$15 billion, although the U.S. Export-Import Bank will make its support conditional on countries such as Indonesia fulfilling reform programs drawn up with the International Monetary Fund.

The assistance should send "a very positive and constructive signal of our

confidence in these economies," said Fumihiko Kato, chairman of the Export-Import Insurance Department of Japan's Ministry of International Trade and Industry.

Ministers here welcomed indications Sunday that President Suharto was backing away from a plan to defend the Indonesian rupiah with a currency board, an idea dismissed as premature by the G-7. "We think that's a constructive step, and having done that, we think the other constructive step is a sustained adherence to the IMF program," said Robert Rubin, the U.S. Treasury secretary. Banking sources in Jakarta, however, denied that the currency-board plan had been abandoned. (Page 11)

Senior U.S. officials have been stepping up their calls for tax cuts or increased spending in Japan in recent weeks, and Mr. Rubin reiterated at every occasion here the need for "healthy, domestic demand-led growth" in Japan. But the G-7 meeting was notable for adding European voices to the criticism of Tokyo's

See YEN, Page 4

In the Iraqi Capital, a Dreary Mood of Fatalism

By John Lancaster
Washington Post Service

BAGHDAD — President Bill Clinton says he has no quarrel with the Iraqi people, but Amal Khedairy thinks she knows better. During the Gulf War in 1991, U.S. "smart bombs" targeted at a nearby bridge blew off the second story of her antiques shop and shattered all its windows.

"You make it as if you can excuse yourself by saying your bombs are accurate," said Miss Khedairy, who has spent the last several days packing her inventory of pottery, paintings and antique rugs in anticipation of an American bombardment. "What sort of logic is this? What sort of beginning is this to the 21st century?"

Miss Khedairy and three friends who gathered in the

sun-splashed courtyard of her shop Saturday expressed a mixture of anger, helplessness and passivity in the face of a U.S. military threat that they know they are powerless to stop. In that regard, they seemed representative of most people in this sprawling, palm-studded capital of 4 million, exhausted by seven years of crushing economic sanctions and — at least for now — exhibiting scant evidence of preparations for another U.S. bombardment.

Some residents have stocked up on water and others have left the country or fled to relatives' homes in rural areas. But they appear to be the exception. Grocers report no run on supplies in recent days, the streets are filled with traffic and young couples stroll hand in hand across bridges or riverside promenades, enjoying a warm burst of early spring.

"Even those who are not fatalists have become

fatalists," said Miss Khedairy's friend, Souad Radhi, 80. Mrs. Radhi recalled a birthday party, complete with Champagne and smoked salmon, that she threw for one of her daughters during the last bombardment. "We are staying in our home."

Iraqis have plenty of experience with war and its attendant hardships, having fought a grueling eight-year war with Iran in the 1980s and invaded Kuwait in 1990. "War is a normal situation in Iraq," a diplomat of considerable experience here said. "Peace is the exception."

The populace certainly has proven adept at survival. Returning to Iraq for the first time in more than two years, an American visitor has the impression that living conditions have improved somewhat, at least in

See BAGHDAD, Page 6

8 Slain in Drive-By Shooting in Karachi

KARACHI, Pakistan (Reuters) — Gunmen killed eight people, including a young girl, in a politically motivated drive-by shooting here Sunday, the police said.

They said the gunmen fired at a group of people sitting in front of a shop. Five people were wounded.

Spokesmen for the mainstream wing of the Muttahida National Movement, or MQM, blamed the attack on a rival wing of the party. They ac-

cused the police of failing to give proper protection to known activists. Shoad Buhari, a provincial MQM minister, said the breakaway Haqqani faction was to blame. "All this happened within sight of paramilitary rangers and police. The Haqqani were to blame."

MQM sources said five of the dead were activists in one wing of the movement and another was a local MQM leader.

PAGE TWO
New U.S. Immigrants Test a Tent

THE AMERICAS Page 3
5-Year-Old Arrested for Assault

Italy Serial-Killing Suspect Found Dead

FLORENCE (AP) — A 73-year-old farmhand who was tried as the "monster of Florence" behind the worst serial-killing spree in Italy was found dead Sunday in his house near this Tuscan capital.

Pietro Pacciani was convicted in 1994 of the murders of seven couples and sentenced to life in prison, but an appellate court acquitted him in 1996. The Supreme Court ordered a new

trial, which would have started in October. Seven couples camping or sitting in cars in the Tuscan countryside were killed from 1974 to 1985. Some victims were mutilated.

Mr. Pacciani, who had heart problems, apparently died of a cardiac arrest, the ANSA news agency quoted a police captain at the scene as saying.



PARTY IN PRAGUE — A man waving the national flag in Wenceslas Square on Sunday as he and thousands of others celebrated the Czech hockey team's gold-medal victory over Russia. Page 20.

Winter Games Of Bad Weather And Good People

Stirring Performances Showcased In Superbly Organized Olympics

By Jere Longman
New York Times Service

NAGANO, Japan — The XXVII Winter Olympics came to a celebratory conclusion Sunday after 16 days of disruptive weather and uninterrupted good will on the part of the Japanese people.

The Nagano Games had much to recommend them, including stirring performances from Bjorn Dahlie, the record-setting Norwegian cross-country skier, a haul of gold medals by Austrian and German alpine skiers, unprecedented efforts by Japanese stars, success by American women and local hospitality that was warmer and more aromatic than the miso soup.

"The friendliness of the people, you get the feeling of that 1,000 times more in person than on television," said Ray Olsen of Aurora, Ohio, who watched the opening ceremonies in the United States before flying to Nagano to see the Games.

Local children made origami Snowflakes, the official furry creature of the games, and swans for visitors. Ice

See GAMES, Page 18

Germany at a Crossroads: Is Its Postwar Prosperity Wearing Thin?

By Alan Cowell
New York Times Service

BERLIN — If there is one message that has been drummed home to Germans, as much by foreigners as by their own postwar leaders, it is that the past must never be suppressed. But are Germans — or, at least, their politicians — suppressing the present?

Even at the most obvious level, this land of 82 million people confronts enough deep-rooted problems to support the view that it stands, slightly bewildered, at a crossroads.

Unemployment is nudging toward the 5 million total associated with the joblessness that helped

loft Hitler to power in 1933. Even the wording on some jobless protesters' banners is uncannily reminiscent of similar placards in the early 1930s, and

NEWS ANALYSIS

joblessness — particularly among young people in the depressed former East Germany — is a driving force behind an alarming wave of neo-Nazism.

The euro, Europe's planned single currency, is set next year to replace the Deutsche mark, the emblem of postwar prosperity, stability and economic power. Perhaps most fundamentally, Germany is caught between the opposing strains of the

American-style marketplace and the older reflexes of the welfare state.

So what have Germany's leaders pulled out of their hats to confront these deep-seated problems?

The answer is: precious little. And when Germans scan the horizon for a Teutonic Bill Clinton, say, or a German Tony Blair to invigorate a moribund political establishment, they find little inspiration.

An effort last year to spur entrepreneurial initiative by overhauling the tax system foundered in a political deadlock in Bonn.

When 155 economics professors, echoing widespread misgivings among Germans, called this

month for the postponement of the euro's introduction beyond the scheduled starting date a little more than 10 months from now, Chancellor Helmut Kohl stifled all further public debate by saying the new currency would proceed on schedule. That was the end of the discussion.

Not once have Germans — or most other Europeans — been told by their leaders what the euro is likely to mean for salaries and benefits, pensions, mortgages or purchasing power.

Successive attempts to remodel Germany's expensive pension and health-care systems,

See GERMANY, Page 6

Newstand Prices	
Andorra.....10.00 FF	Lebanon.....L.L. 3,000
Antilles.....12.50 FF	Morocco.....16 Dh
Cameroon.....1,800 CFA	Qatar.....10.00 QR
Egypt.....SE 6.50	Réunion.....12.50 FF
France.....10.00 FF	Saudi Arabia.....10 SR
Gabon.....1,100 CFA	Senegal.....1,100 CFA
Guinea.....2,800 CFA	Spain.....225 Ptas
Ivory Coast.....1,250 CFA	Tunisia.....1,250 Dh
Jordan.....1,250 JD	U.A.E.....10.00 Dh
Kuwait.....700 Fils	U.S. Mtl. (Eur.).....\$1.20



Is the Melting Pot Still Hot Enough? / 'Demographic Balkanization'

New Wave of U.S. Immigrants Tests a National Tenet

By William Booth
Washington Post Service

WASHINGTON — At the beginning of this century, as steamers poured into American ports, their steerages filled with European immigrants, a Jew from England named Israel Zangwill penned a play whose story line has long been forgotten but whose central theme has not. His production was entitled "The Melting Pot," and its message still holds a tremendous power on the national imagination: the promise that all immigrants can be transformed into Americans, a new alloy forged in a crucible of democracy, freedom and civic responsibility.

In 1908, when the play opened in Washington, the United States was in the middle of absorbing the largest influx of immigrants in its history. Irish and Germans, followed by Italians and East Europeans, Roman Catholics and Jews — some 18 million new citizens between 1890 and 1920.

Today, the United States is experiencing its second great wave of immigration, a movement of people that has profound implications for a society that by tradition pays homage to its immigrant roots at the same time it confronts complex and deeply ingrained ethnic and racial divisions.

The immigrants of today come not from Europe but overwhelmingly from the still-developing world of Asia and Latin America. They are driving a demographic shift so rapid that within the lifetimes of today's teenagers, no one ethnic group — including whites of European descent — will comprise a majority of the population.

This shift, according to social historians, demographers and others studying the trends, will severely test the premise of the famed melting pot — the idea, so central to national identity, that the United States can transform people of every color and background into "one America."

Just as possible, they say, the nation may fracture into many separate, disconnected communities with no shared sense of commonality or purpose. Or it may evolve into something in between, a pluralistic society that will hold on to some core ideas about citizenship and capitalism but with little meaningful interaction among groups.

The demographic changes raise other questions about political and economic power. Will that power, now held disproportionately by whites, be shared in the new America? What will happen when Hispanics overtake blacks as the nation's single largest minority?

"I do not think that most Americans really understand the historic changes happening before their very eyes," said Peter Salins, an immigration scholar who is provost of the State University of New York. "What are we going to become? Who are we? How do the newcomers fit in? And how do the natives handle it? This is the great unknown."

Fear of strangers, of course, is nothing new in American history. The last great immigration wave produced a bitter backlash, epitomized by the Chinese Exclusion Act of 1882 and the return, in the 1920s, of the Ku Klux Klan, which targeted not only blacks but immigrants as well.

Despite this strife, many historians argue that there was a greater consensus in the past on what it meant to be an American, a yearning for a common language and culture, and a desire — encouraged if not coerced by members of the dominant white Protestant culture — to assimilate.

Today, they say, there is more emphasis on preserving one's ethnic identity, of finding ways to highlight and defend one's cultural roots.

More often than not, the neighborhoods where Americans live, the politicians and propositions they vote for, the cultures they immerse themselves in, the friends and spouses they have, the churches and schools they attend and the way they view themselves are defined by ethnicity. The question is whether, in the midst of such change, there is also enough glue to hold Americans together.

"As we become more and more diverse, there is all this potential to make that reality work for us," said Angela Oh, a Korean-American activist who emerged as a powerful voice for Asian immigrants after the Los Angeles riots in 1992. "But yet you witness this persistence of segregation, the fragmentation, all these fights over resources, this finger-pointing. You would have to be blind not to see it."

It is a phenomenon sometimes difficult to measure but easy to observe. In high school cafeterias, the second- and third-generation children of immigrants clump together in cliques defined by where their parents or grandparents were born. At the law school of the University of California at Los Angeles, which has about 1,000 students, there are separate student associations for blacks, Latinos and Asians, each with its own law review journal.

It almost goes without saying that the new arrivals are a source of vitality and energy, especially in the big cities to which many are attracted. Diversity, almost everyone agrees, is good, choice is good and exposure to different cultures and ideas is good.

BUT MANY SCHOLARS worry about the loss of community and shared sense of reality among Americans — what Todd Gitlin, professor of culture and communications at New York University, calls "the twilight of common dreams."

"The concern is echoed by many on both the left and right, and of all ethnicities, but no one seems to know exactly what to do about it."

Researchers already speak of a new "demographic balkanization," not only of residential segregation, forced or chosen, but also a preference to see ourselves through a racial prism.

The demographic shifts are smudging the old lines demarcating the historical and often distinct societies of black and white.

Whites account for 74 percent of the population, blacks 12 percent, Hispanics 10 percent and Asians 3 percent. According to data and predictions generated by the Census Bureau and social scientists, Hispanics will likely surpass blacks early in the next century. By 2050, demographers say, Hispanics will account for 25 percent of the population, blacks 14 percent and Asians 8 percent, with whites around 35 percent.

As early as next year, whites no longer will be the majority in California; in Hawaii and New Mexico this is already the case. Soon after, Nevada, Texas, Maryland and New Jersey are likely to become "majority minority" states, entities where no one ethnic group is the majority.

The overwhelming majority of immigrants come from Asia and Latin America — Mexico, the Central American countries, the Philippines, Korea and Southeast Asia.

Congress triggered this transformation in 1965,



A street in Los Angeles, where a million immigrants took the place of a million native-born U.S. citizens who fled the city from 1990 to 1995.

when it made family reunification the primary criteria for admittance under immigration law. That policy, a response to charges that the law favored white Europeans, allowed immigrants already in the country to bring over relatives, who in turn could bring over more relatives.

As a result, the country has been absorbing as many as 1 million newcomers a year, to the point that almost 1 in 10 residents is foreign-born.

The intake, relative to the overall population, was slightly higher at the beginning of the century, but the current immigration wave is in many ways very different, and its context inexorably altered, from the last great wave.

This time around tensions are sharpened by the changing profile of those who are entering the nation. Not only are their racial and ethnic backgrounds more varied but their place in a modern postindustrial economy has also been revised.

The newly arrived can be roughly divided into those with college degrees and highly specialized skills and those with almost no education or job training. Some 12 percent of immigrants have graduate degrees, compared with 8 percent of native Americans. But more than one-third of the immigrants have no high school diploma, double the rate for those born in the United States.

About 6 percent of new arrivals receive some form of welfare, double the rate for U.S.-born citizens.

With large numbers of immigrants arriving from Latin America and segregating in barrios, there is also evidence of lingering language problems. In Miami, three-quarters of residents speak a language other than English at home and 67 percent of those say they are not fluent in English.

In New York City, 4 of every 10 residents speak a language other than English at home and of these, half say they do not speak English well.

It is clear that not all of America is experiencing the impact of immigration equally. Although even small Midwestern cities have seen sharp changes in their racial and ethnic mix in the past two decades, most immigrants continue to cluster into a handful of large, mostly coastal metropolitan areas: Los Angeles, New York, San Francisco, Chicago, Miami, Washington and Houston. They are home to more than a quarter of the total U.S. population and more than 60 percent of all foreign-born residents.

BUT AS THE immigrants arrive, many U.S.-born citizens pour out of these cities to more homogeneous locales. New York and Los Angeles each lost more than 1 million native-born residents between 1990 and 1995, even as their populations increased by roughly the same numbers with immigrants.

To oversimplify, said Will Frey, a University of Michigan demographer, "For every Mexican who comes to Los Angeles, a white native-born leaves."

Most of the people leaving the big cities are white, and they tend to be working class. This is a new kind of "white flight," whereby whites are not just fleeing the city centers for the suburbs but also leaving the region and often the state.

"The Ozies and Harriets of the 1990s are skipping the suburbs of the big cities and moving to more homogeneous, mostly white smaller towns and smaller cities and rural areas," Mr. Frey said.

U.S. Asks: Who Pays For Treating Infertility?

By Esther B. Fein
New York Times Service

NEW YORK — Roberta Kraft is \$38,700 in debt. She owes money on her Visa card. She owes money on her American Express card. She owes money to her parents and to her best friend from college.

She and her husband have not bought new clothes in two years and live in a cramped one-bedroom apartment because they have spent all their discretionary income — and a good chunk of their future earnings — in a single pursuit: trying to have a baby.

In her still unsuccessful quest, Ms. Kraft has economized in ways she never imagined. She bought fertility drugs from a pharmacy in Mexico because they were cheaper than those sold in her Manhattan neighborhood. She withdrew money from a retirement account, paying steep penalties. She sold a pair of diamond earrings she had inherited, tearfully rationalizing that her grandmother would have given her blessing.

Ms. Kraft has gone to such lengths because her insurance company will finance few of the procedures that might allow her to become pregnant. And so, in addition to the emotional ordeal that they face, she and her husband are struggling with severe financial problems.

Like Ms. Kraft and her husband, more and more couples in the United States are spending all that they have as scientists develop new treatments to combat physical problems that prevent pregnancy — treatments that few insurers are willing to cover and that few people can easily afford.

To patients such as Ms. Kraft and the doctors who treat them, such refusals by insurance companies amount to discrimination. Infertility, they say, is a disease, like diabetes or emphysema, whose treatment should be covered by any basic insurance policy.

But others question whether the inability to become a biological parent is a medical condition or a social problem. And they ask whether society should pay for costly treatments that benefit a narrow group of people when growing numbers of others lack insurance for even basic health care.

Uwe Reinhardt, a health-care economist at Princeton University, said: "The debate comes down to this: Is having your own offspring with your own genes a matter of human right? And if you can't accomplish that on your own, do you have the right to have your efforts to achieve it financed?"

The issue came to the fore last month, when Aetna, one of America's biggest health insurers, announced that its U.S. Healthcare health plans would no longer offer coverage for advanced infertility treatments. Officials said that because few other health plans offered such benefits in their basic packages, women with fertility problems had been disproportionately joining U.S. Healthcare plans, saddling Aetna with an unfair share of costs for infertility treatments.

In the United States, most people obtain health insurance through their employer. Thirteen states require insurance plans to offer some coverage for infertility treatments. But these regulations do not cover many workers, because many businesses — those that insure themselves under provisions of a 1978 federal law — are exempt from state jurisdiction.

Advanced reproductive procedures, in which the union of sperm and egg is manipulated, are expensive. The most common procedure is in-vitro fertilization, which costs about \$8,000 for each attempt, and most couples have to try several times before they succeed.

About 6.1 million women in the United States, or 10 percent of the women of reproductive age, are infertile, according to the most recent figures from the federal government's National Center for Health Statistics. Of these, about 600,000 have tried assisted-reproductive technologies in their attempt to bear children.

TRAVEL UPDATE

Taipei Is Top Shop Spot

HONG KONG (Reuters) — Taipei is the cheapest place to shop among 11 major tourist destinations in the world, a survey has found.

According to the Economist Intelligence Unit survey, completed in November and released by the Hong Kong Tourist Association, a tourist purchasing a basket of 15 typical items would pay a total of \$3,179 Hong Kong dollars (\$10,743) for the goods in Taipei, \$6,377 dollars in Bangkok and \$9,115 dollars in Hong Kong.

US Airways has received U.S. approval to begin daily nonstop service May 7 to London's Gatwick Airport from its Charlotte, North Carolina, hub.

Delta Air Lines will start daily nonstop flights July 1 between Atlanta and Lima. (AP)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Andorra, Aruba, Bolivia, Brazil, Ecuador, Guyana, Luxembourg, Netherlands Antilles, Panama, Trinidad, Uruguay, Venezuela.

TUESDAY: Angola, Bolivia, Brazil, Cuba, Ecuador, Estonia, French Guiana, Haiti, Liechtenstein, Monaco, Panama, Portugal, Trinidad, Uruguay, Venezuela.

WEDNESDAY: Cayman Islands, French Guiana, India, Jamaica, Kuwait, Mauritius, Sri Lanka, Uruguay, Venezuela.

THURSDAY: Kuwait.

FRIDAY: Bahrain, Dominican Republic.

SATURDAY: Taiwan.

Sources: J.P. Morgan, Bloomberg.

South Africa's Afrikaners Wrestle With Sins of Past

By Suzanne Daley
New York Times Service

JOHANNESBURG — As an 11th-generation Afrikaner, Christoff Heyns struggles these days over what to teach his three children about their heritage. He is uncomfortable with seemingly innocent elements of his own childhood — like khaki shorts, which ultimately became a symbol of the Afrikaner right wing. He examines traditional songs for racist undertones. He picks through historical figures for those worth admiring.

It is a strange time, he says. On the one hand, it is liberating to know that the apartheid system his forefathers put in place is dead.

"We can get on with our lives and not have to worry about being the ones running the evil empire anymore," he said.

But he must now try to carve out a new identity in a new South Africa. He worries what future the country will offer his children.

Will the government stick to its promises of equality for all, or take revenge on them for sins of their ancestors? Nearly four years after South Africa held its first all-race elections and the white supremacist government was forced to hand over power to the black majority, many Afrikaners, the descendants of Dutch, German and French settlers who ruled for most of this century, are groping for honorable berths in the new order. None are finding it easy.

Many feel humiliated and powerless and think their very existence is under attack. They point to the work of the country's Truth and Reconciliation Commission, which nearly every day hears former police and army officials with Afrikaner surnames confess to torture and murder. They say new leg-

islation threatens to force public schools to teach in Afrikaans, an offshoot of Dutch, to switch to English or African languages.

And, the civil service, once an employment agency for Afrikaners, now virtually only hires blacks. Income surveys indicate that Afrikaners are slipping down the economic ladder for the first time in decades.

Shaped by more than three centuries of harsh pioneer life, Afrikaners call themselves the white tribe of Africa. They developed a tradition that blended Europe and Africa in ways seen nowhere else — a culture in which covered wagons, German Mauser rifles, Wagnerian operas, Malaysian spices, the Old Testament and African cattle all played important parts.

During their years in power, they turned casual segregation into a rigid system called apartheid that denied blacks the vote, the right to own land where they chose and the right to an education.

But the surrender of power has left this community, about 7 percent of the population, unsure of how to go forward. Its institutions are failing. Its political flagship, the National Party, is in disarray.

Christina Landman, a professor of theology at the University of South Africa, says many Afrikaners are avoiding a moral debate about the past and their culpability. On a recent trip to a small Afrikaner town, she said, she was appalled to see how little had changed. She watched one evening as blacks were told there was no room for them in the nearly empty local restaurant.

In church, she said, the minister's sermon concerned the pain of poverty in India. But life in the nearby black town-

ship, a cluster of metal shacks without running water, never came up.

Just what is appropriate behavior for today's Afrikaner — how much humility is necessary before an Afrikaner can defend his history and his way of doing things — is a debate that splits the community.

Even celebrations lead to fights. Two groups are battling over ceremonies for the coming 100th anniversary of the Boer War, in which perhaps a sixth of the Afrikaner population died, the men in combat, the women and children of fever, dysentery and starvation in British concentration camps.

One group wants a subdued ceremony recalling the hardships that all Afrikaners endured. Its nationalist rival wants to focus on the "Bitter Enders" — the guerrillas who kept fighting for months after the British took Pretoria.

The debate about just how sorry to be has also exploded inside any number of Afrikaner institutions. At Beeld, the largest and most liberal Afrikaner-language daily, a battle raged for months over whether journalists should apol-

ogize to the truth commission for abetting apartheid.

Tim du Plessis, deputy editor of Beeld, believed it was essential. The board of directors disagreed. In the end he and 127 colleagues signed individual statements saying they believed Naspers, the company that owned Beeld and other Afrikaner publications, had "formed an integral part of the power structure which implemented and maintained the system of apartheid."

The board, furious, issued a statement accusing Mr. du Plessis of "ill-conceived disloyalty." Colleagues of his say he was a result passed over for promotion to the editorship of another Naspers paper.

Many young Afrikaners say that their parents try to brush off the past. When the Truth Commission comes on television, they switch the channel. Or they blunder into absurdities. One man described his mother watching an elegant young black anchor reading the news in perfect English. "She is such a nice-looking woman," his mother said. "Where were these people before?"

WEATHER

Forecast for Tuesday through Thursday, as provided by AccuWeather.

Europe	Today	Low	High	Tomorrow	Low	High
Algeria	72°F	64°F	80°F	72°F	64°F	80°F
Austria	68°F	58°F	78°F	68°F	58°F	78°F
Belgium	68°F	58°F	78°F	68°F	58°F	78°F
Denmark	68°F	58°F	78°F	68°F	58°F	78°F
France	68°F	58°F	78°F	68°F	58°F	78°F
Germany	68°F	58°F	78°F	68°F	58°F	78°F
Greece	68°F	58°F	78°F	68°F	58°F	78°F
Ireland	68°F	58°F	78°F	68°F	58°F	78°F
Italy	68°F	58°F	78°F	68°F	58°F	78°F
Japan	68°F	58°F	78°F	68°F	58°F	78°F
South Korea	68°F	58°F	78°F	68°F	58°F	78°F
Spain	68°F	58°F	78°F	68°F	58°F	78°F
Sweden	68°F	58°F	78°F	68°F	58°F	78°F
Switzerland	68°F	58°F	78°F	68°F	58°F	78°F
Taiwan	68°F	58°F	78°F	68°F	58°F	78°F
U.K.	68°F	58°F	78°F	68°F	58°F	78°F
U.S.	68°F	58°F	78°F	68°F	58°F	78°F

North America	Today	Low	High	Tomorrow	Low	High
Alaska	68°F	58°F	78°F	68°F	58°F	78°F
Canada	68°F	58°F	78°F	68°F	58°F	78°F
U.S.	68°F	58°F	78°F	68°F	58°F	78°F

Asia	Today	Low	High	Tomorrow	Low	High
Algeria	72°F	64°F	80°F	72°F	64°F	80°F
Australia	68°F	58°F	78°F	68°F	58°F	78°F
Brazil	68°F	58°F	78°F	68°F	58°F	78°F
Canada	68°F	58°F	78°F	68°F	58°F	78°F
China	68°F	58°F	78°F	68°F	58°F	78°F
France	68°F	58°F	78°F	68°F	58°F	78°F
Germany	68°F	58°F	78°F	68°F	58°F	78°F
Greece	68°F	58°F	78°F	68°F	58°F	78°F
India	68°F	58°F	78°F	68°F	58°F	78°F
Indonesia	68°F	58°F	78°F	68°F	58°F	78°F
Italy	68°F	58°F	78°F	68°F	58°F	78°F
Japan	68°F	58°F	78°F	68°F	58°F	78°F
Korea	68°F	58°F	78°F	68°F	58°F	78°F
Latin America	68°F	58°F	78°F	68°F	58°F	78°F
Mexico	68°F	58°F	78°F	68°F	58°F	78°F
Norway	68°F	58°F	78°F	68°F	58°F	78°F
Poland	68°F	58°F	78°F	68°F	58°F	78°F
Portugal	68°F	58°F	78°F	68°F	58°F	78°F
Russia	68°F	58°F	78°F	68°F	58°F	78°F
Spain	68°F	58°F	78°F	68°F	58°F	78°F
Sweden	68°F	58°F	78°F	68°F	58°F	78°F
Switzerland	68°F	58°F	78°F	68°F	58°F	78°F
Taiwan	68°F	58°F	78°F	68°F	58°F	78°F
U.K.	68°F	58°F	78°F	68°F	58°F	78°F
U.S.	68°F	58°F	78°F	68°F	58°F	78°F

Global Financial Crisis
Are You Prepared for the Risks?
Are You Positioned for the Profits?
Call and Prepare Today
Experience in Confidential 24 Hour Global
Currency and Interest Rate Management

SUPERIOR Selection of Managed Accounts
OUTSTANDING Global Market Analysis
EXCEPTIONAL Execution Power of Futures
MINIMUMS \$20,000 to \$5,000,000 (USD)

For My Complimentary Services Guide, Latest Research Reports,
Options and Performance Records Call 24 Hours Toll-Free

Australia	1300125444	Belgium	0001155555	Brazil	000112155555
Canada	8001202537	Denmark	0001161132	Finland	00011100584
France	0000922248	Greece	000113213013	Germany	0130229886
Hong Kong	0009972259	Ireland	0001100102	Italy	0001175223
Japan	0011126858	Spain	0001112543	Luxembourg	00014232
Mexico	0000078478	Netherlands	000220557	N. Zealand	0000441880
Portugal	0001125232	Sweden	0001202581	Switzerland	000095337
Singapore	000031007	Sweden	0001175125	Switzerland	000097223
Taiwan	001201115151	U.S.A.	8009945157	U.S.	000095332

US Toll Voice Line +1-415-376-0020 US Toll Fax Line +1-415-376-0023

The Elizabeth
Orchard Road Singapore
ss130.00 ☆ ss8.00
Room Rate Buffet Breakfast
Per Person

Book Now & Stay in March
(Subject to availability)
Price quoted is subject to 10% service charge
and applicable government taxes including GST.

Early Bird Special

For more information call
Tel: (65) 732 3866
E-mail: elizabeth@pacific.net.sg

AccuWeather
Forecast for Tuesday through Thursday, as provided by AccuWeather.

North America	Today	Low	High	Tomorrow	Low	High
Alaska	68°F	58°F	78°F	68°F	58°F	78°F
Canada	68°F	58°F	78°F	68°F	58°F	78°F
U.S.	68°F	58°F	78°F	68°F	58°F	78°F

Legend: s=sunny, p=partly cloudy, c=cloudy, sh=snow, H=high, L=low, W=weather.

AccuWeather
Forecast for Tuesday through Thursday, as provided by AccuWeather.

Asia	Today	Low	High	Tomorrow	Low	High
Algeria	72°F	64°F	80°F	72°F	64°F	80°F
Australia	68°F	58				

THE AMERICAS

Arrogance Led to Bay of Pigs Fiasco, Long-Secret CIA Report Says

By Tim Weiner
New York Times Service

WASHINGTON — One of the most secret documents of the Cold War is out: the Central Intelligence Agency's brutally honest inquest into the 1961 Bay of Pigs fiasco, which laid the blame for the disastrous invasion of Cuba squarely on the agency's institutional arrogance.

The 150-page document also cautions those who would use the CIA to overthrow enemies, saying that job belongs to the Pentagon and its broad arsenal of military forces around the globe. The report paints a picture of an agency shot through with deadly self-deception, one whose secret operations were "ludicrous or tragic or both."

In mounting the Cuban operation, almost none of the CIA officers were able to speak Spanish, yet those same officers heaped contempt on their Cuban "puppets" hand-picked to replace Fidel Castro, the report said.

The Bay of Pigs invasion, carried out in April 1961, was organized by the CIA and was intended to lead to the overthrow of Mr. Castro, whose Communist government just 90 miles (144 kilometers) from the Florida coast was seen as a beachhead for Soviet influence in the Western Hemisphere.

While the basic facts of the commando raid on Cuba are known, the report, titled "The Inspector

General's Survey of the Cuban Operation," is an untapped well of cold, hard facts. A leading historian of the operation, Peter Wyden, wrote wistfully in his book "Bay of Pigs: The Untold Story" that the report was "probably buried forever."

Last week, after 36 years of secrecy during which all but one copy of the report was destroyed, a Freedom of Information Act request by the National Security Archive, a nonprofit group, unearthed the sole surviving volume, which was locked in the safe of the director of CIA.

The report, written by the CIA's inspector general, Lyman Kirkpatrick, after a six-month investigation, is a record of bungling by the best and the brightest and makes for chilling reading. The CIA's leaders believed that it was President John F. Kennedy's failure to approve an attack on Cuba's air force to coincide with the landing of commandos that caused the deaths of nearly 1,500 raiders.

And in their rebuttals to the report by Mr. Kirkpatrick, they wrote that his depiction of "unmitigated and almost willful bungling and disaster" — in the words of General Charles Cabell, then deputy director of the CIA — was motivated by personal malice. Mr. Kirkpatrick had wanted to be the agency's spy master, but his career advancement stalled when he contracted polio in the early 1950s.

The report said the operation, whose planning began in April 1960, started as a classic covert

action "in which the hand of the United States would not appear." The plan called for a group of exiled Cuban leaders, supported by a CIA cadre, to slowly build political momentum toward toppling Mr. Castro, who had taken power 16 months earlier. Very quickly, "this operation took on a life of its own," the report said. "The agency was going forward without knowing precisely what it was doing."

The CIA's officers "became so wrapped up in the operation as such that they lost sight of ultimate goals." Their budget multiplied from \$4.4 million to \$46 million. Within a year, they created an unruly, ill-trained, crudely supported invasion force whose cover was blown, and whose existence had been broadly hinted at in newspaper reports before the operation took place. "Plausible denial" — the ability of the United States to lie convincingly about its role in the invasion — became "a pathetic illusion," the report said.

With crisscrossing lines of communication and control among bases and camps in Miami, Key West, New Orleans, Nicaragua and Guatemala, all under sporadic command from headquarters, the CIA created a "complex and bizarre organizational situation" that was doomed to fail.

The officers chosen to staff the huge operation were in many instances incapable: "very few spoke Spanish or had Latin-American background knowledge," the report said.

Agency employees treated the Cubans training

to overthrow Mr. Castro "like dirt." The abuse left the hungry, barefoot, disillusioned trainees "wondering what kind of Cuban future they were fighting for."

The Revolutionary Council, the CIA-created alternative to Mr. Castro, became the agency's "puppets," as described in the report.

"Isolated in a Miami safe house, 'voluntarily' but under strong persuasion, the Revolutionary Council members awaited the outcome of a military operation which they had not planned and knew little about while agency-written bulletins were issued to the world in their name."

If the CIA could not work with Cubans, Mr. Kirkpatrick warned prophetically, "how can the agency possibly succeed with the natives of Black Africa or Southeast Asia?"

President Kennedy had been in office just three months when the invasion took place. The report argued that he might not have fully grasped the details of the raid, because the CIA did not fully explain them.

The CIA convinced itself and the White House that the invasion would magically create in Cuba "an organized resistance that did not exist," composed of 30,000 Cubans who would "make their way through the Castro army and wade the swamps to rally to the liberators." This was self-deception, the report said, adding dryly, "We are unaware of any planning by the agency or by the U.S. government for this success."

On April 15, 1961, CIA pilots knocked out part of Mr. Castro's air force, and were set to finish the job. At the last minute, on April 16, President Kennedy called off the air strikes, but the message did not reach the 1,511 commandos headed for the Bay of Pigs. Three days of fighting destroyed the invading force. A brigade commander sent his final message: "We are out of ammo and fighting on the beach. Please send help." and: "In water. Out of ammo. Enemy closing in. Help must arrive in next hour."

It never came. Over the next few days two American teams and a crew of Cuban frogmen plucked 26 survivors off the beaches and reefs.

Read with hindsight, the accumulated weight of the details in Mr. Kirkpatrick's report makes a case that "the fundamental cause of the disaster" was the CIA's incompetence, not Mr. Kennedy's failure to follow through with the air raids in support of the commandos.

The agency failed the president by failing to tell him "that success had become dubious and to recommend that the operation be therefore canceled," it said.

Peter Kornbluh, director of the National Security Archive's Cuba Documentation Project, called the report "one of the most important examples of self-criticism ever written inside the agency." He said it would be posted Sunday on the archive's Web site: <http://www.seas.gwu.edu/nsarchive>.

Florida Girl, 5, Is Arrested For Assaulting A Counselor

By Jon Nordheimer
New York Times Service

NEW YORK — Chaquita Doman is again free to walk the streets of Pensacola, Fla., after having been arrested on a charge that she assaulted a 51-year-old school counselor.

Chaquita Doman is 5 and attends kindergarten.

Her parents took her to the Escambia County Jail on Wednesday after the police told them that a warrant had been issued for her arrest. She was booked, fingerprinted and questioned by the juvenile authorities.

"They even took her mug shot," said her grandmother, Linda Nash. "It was a shock to everyone that a 5-year-old girl was treated like that."

Chaquita's father, Lee Ernest Middleton, a tree cutter, said he was flabbergasted when he saw his daughter marched through a complete booking process. "Can you imagine what it's like to have your daughter fingerprinted and escorted by a deputy to a juvenile facility?" Mr. Middleton said.

"There are other methods you could have went through before this," Pensacola school officials said. Chaquita, who is of average size and weight for a kindergarten, had a history of "out of control" rages. The officials said they had asked that the warrant be issued as a way for the girl to get help.

They said that the attack took place on Feb. 3 at Edgewater Elementary School when Chaquita bit and scratched the counselor, Linda Green. The officials said that the child had hurled furniture, bit the counselor's arm and inflicted more than two dozen deep scratches on Ms. Green.

A warrant on a felony charge of battery against an educator was issued later for the girl. The parents agreed to surrender her last week.

Juvenile officials said that because of her age they could not discuss Chaquita's case. Her parents said they had been told the case might be dropped if they sent her for counseling.

The case was not the only one in Florida last week in which a child was arrested on felony charges, although children under 7 are not usually considered mentally responsible for a criminal act. On Thursday, a 6-year-old boy was arrested and indicted in four hours, faces charges of battery on school workers and a sheriff's deputy. The boy appeared in court Friday, where a judge sentenced him to remain at home until the charges are resolved.

Away From Politics

Julian Bond, 58, a former Georgia state senator and a civil rights pioneer, has been elected chairman of the National Association for the Advancement of Colored People. Mr. Bond is a history professor, a frequent radio and television commentator and chairman of the NAACP's Crisis Magazine. (AP)

A federal judge has restored the U.S. citizenship of John Demjanjuk, the retired auto worker cleared of being the Nazi death-camp guard known as "Ivan the Terrible." Mr. Demjanjuk, 77, was stripped of his citizenship in 1981 and extradited to Israel in 1986. His conviction there of crimes against humanity was overturned on appeal and he was freed after seven years in prison. (AP)

With food-allergy awareness on the rise, nuts have become a major source of concern, with some schools banning peanut butter and restaurants and food processors scrambling to avoid mixing nuts with other foods. (NYT)

The Trapp family, immortalized in "The Sound of Music," has asked the Vermont Supreme Court to resolve a bitter dispute between two factions of the family — whether minority stockholders in the family corporation were paid enough when they were bought out by another family group in 1995. (NYT)



William Leavitt, accused of possessing deadly anthrax, being escorted from a jail in Las Vegas.

Seized Anthrax Found to Be Harmless

Compiled by Our Staff From Dispatches

LAS VEGAS — Biological material suspected of being deadly anthrax turned out to be a safe form of the bacteria used in animal vaccines, and one of the two men arrested in the case was released from jail over the weekend.

Though the material turned out to be non-toxic, the FBI insisted that arresting the men on biological weapons charges had been necessary to protect the public. The material was seized and the men were arrested Wednesday outside a medical clinic on the outskirts of Las Vegas after an informant told agents the two planned to test deadly anthrax bacteria.

"Because of the potential serious threat to the community, our actions had to be quick and decisive," Bobby Siller, special agent in charge of the FBI's Las Vegas office, said Saturday. "We had to act the way we did."

Tests on the material at a U.S. Army laboratory showed that it was not military-grade anthrax, which is potent enough to kill thousands of people even in microscopic amounts.

That finding means "their case goes down the toilet," said Lamond Mills, the lawyer for one of the arrested men, William Leavitt Jr. "I

would expect the U.S. attorney to drop the charges."

Mr. Leavitt, an amateur medical researcher, was released Saturday and will remain free while the authorities decide how to handle the case.

The other man, Larry Wayne Harris of Lancaster, Ohio, an associate of far-right hate groups and a microbiologist who is on probation for an earlier conviction for obtaining freeze-dried bubonic plague bacteria through the mail, remained in jail and was scheduled to appear in court Monday for a hearing.

Both were charged with conspiracy to possess and possession of a biological agent for use as a weapon.

Mr. Mills said a deal to drop charges against Mr. Leavitt, 47, would require him to promise to stop some of his laboratory work.

"The past few days have been the most difficult days of my life," Mr. Leavitt said at a news conference, crying as he hugged his wife, daughter and mother.

Mr. Siller declined to explain why charges would not be dropped immediately. He defended the FBI's investigation, which was based on the informant's tip and statements made by the suspects, and said it

would have been "irresponsible" not to follow up on the accusation.

Indeed, officials had some reason to be worried. Mr. Harris has said he grew anthrax cultures from material taken from cows that died in an outbreak in the 1950s, and law enforcement officials say he has unraveled the country in recent years talking to anti-government groups about germ warfare.

But Mr. Leavitt, of Logandale, Nevada, had no criminal record, and friends and neighbors described him as a pillar of his local Mormon church who owned a fire safety business and had a private passion for alternative medical research in a quest for cures for AIDS, multiple sclerosis and other diseases. His lawyers said he had asked Mr. Harris to help him test an electronic machine that he had been told could kill bacteria.

The case frightened many around the country, especially near Las Vegas. People flooded talk-radio shows with questions about evacuation plans, the symptoms of anthrax and the safety of the region's water supply. Surplus stores sold out of stocks of gas masks. The arrests came as the United States was considering military action against Iraq for harboring biological weapons. (AP, NYT)

Help for Lewinsky Is Defended
Jordan's Effort Wasn't to Buy Silence, Her Lawyer SaysBy Brian Knowlton
International Herald Tribune

WASHINGTON — William Ginsburg, the lawyer for Monica Lewinsky, denied Sunday that his client had received help from Vernon Jordan Jr., a friend of President Bill Clinton's, as part of an agreement to ensure her silence about allegations that she and Mr. Clinton had had a sexual relationship.

He also repeated an appeal for the public to donate funds to help Ms. Lewinsky with her legal defense expenses, saying he was having difficulty paying even his own air fare and hotel bills.

The question of whether Mr. Jordan helped Ms. Lewinsky find a lawyer and secure a job offer to buy her silence is central to the investigation that has jolted the presidency.

Mr. Jordan has said that he was assured there was no sexual relationship between the two. He has denied having done anything more than try to help a young intern find a job. Mr. Clinton, for his part, has firmly denied having had a sexual relationship with Ms. Lewinsky or seeking to influence her to lie.

Mr. Ginsburg, asked Sunday whether Mr. Jordan's efforts to help Ms. Lewinsky were part of a "quid pro quo" in terms of her testimony in the Paula Jones sexual harassment case against Mr. Clinton, responded: "Unequivocally, no. No quid pro quo."

"Jordan," he added, "was very kind, very gracious and arranged some interviews with prominent companies" for Ms. Lewinsky. She ultimately received a job offer from Revlon, of which Mr. Jordan is a director. The offer was rescinded after the allegations about her relationship with Mr. Clinton emerged Jan. 21.

Mr. Ginsburg asserted that Mr. Jordan and Ms. Lewinsky had met before her name appeared on any list of potential witnesses in Mrs. Jones's civil suit against Mr. Clinton. Some critics have pointed out that the two met

several times between the time it was learned that she would be called to make a sworn affidavit in the Jones case and the time she actually did so, on Jan. 7.

"My investigations show that she met with Vernon Jordan in early November," Mr. Ginsburg said. "As far as I'm concerned it was before she was on any noticed witness list or had received a subpoena and therefore I don't believe the White House knew that either."

Mr. Jordan's lawyer has disputed that any meeting occurred in November. The Washington Post reported.

Mr. Ginsburg said that he had "no idea whatsoever" why his client received any special treatment from Mr. Clinton, reportedly including dozens of meetings in the White House, gifts and phone calls. Mr. Clinton has yet to comment on why Mr. Jordan or the chief U.S. delegate to the United Nations, Bill Richardson, helped Ms. Lewinsky seek employment.

Mr. Ginsburg also said he shared the feeling of Ms. Lewinsky's father, Bernard Lewinsky, that the investigation by the independent counsel, Kenneth Starr, had been abusive. Dr. Lewinsky had likened Mr. Starr to Hitler. Referring to Dr. Lewinsky, Mr. Ginsburg said, "He does not like storm-trooper, overbearing, assaultive-type activities, and frankly, neither do I."

Regretting his earlier statement that if Mr. Clinton had been involved in a sexual relationship with his client, it was "misogynistic," Mr. Ginsburg said Sunday, "I was out of line. I was out of control."

He stood by a statement that he and his client hoped Mr. Clinton survived the allegations because Mr. Clinton was pro-Israel and Mr. Ginsburg and Ms. Lewinsky were both Jewish. He added, however, that that was a personal opinion of no legal import.

Mr. Ginsburg also denied that Ms. Lewinsky was seeking a book contract.

Clinton Reportedly Knew Of Career Aid for Ex-Intern

By Jeff Gerth
and John M. Broder
New York Times Service

WASHINGTON — Vernon Jordan Jr., one of President Bill Clinton's closest friends, kept the president personally informed of his efforts to find a job and a lawyer for Monica Lewinsky in the days after Ms. Lewinsky, a former White House intern, became a potentially damaging witness in the sexual misconduct case against Mr. Clinton, according to a lawyer who knows Mr. Jordan's version of events.

Mr. Jordan's account could present a problem for the president because it would mean that Mr. Clinton was aware of the aid given to Ms. Lewinsky as an effort to ensure her silence about the allegations.

Mr. Jordan has complained to associates that neither the president nor his lawyers told him that Ms. Lewinsky had been named as a potential witness in the Jones lawsuit.

When Mr. Jordan found out that Ms. Lewinsky had been subpoenaed, the lawyer who knows of his account said, he confronted the president, and continued his efforts to help Ms. Lewinsky only after Mr. Clinton assured him, in a White House meeting, that he had "never, no way," had a sexual relationship with her.

The lawyer said that even though Mr. Jordan had not been told Ms. Lewinsky had been called as a witness, he had been aware that the president considered his help important.

While potentially harmful to the president, the account appears to afford Mr. Jordan some legal protection. If he was acting on assurances that Ms. Lewinsky and Mr. Clinton did not have a sexual relationship, it will be harder to

prove he tried to improperly influence her testimony. The White House declined to comment on Mr. Clinton's discussions with Mr. Jordan.

Mr. Clinton has repeatedly denied having been sexually involved with Ms. Lewinsky, and he has maintained that he never encouraged anyone to lie. But he has not addressed the question of whether he asked Mr. Jordan to help her or what he knew about the assistance she received.

Mr. Jordan, in his only public statement on the matter, said at a news conference in January that he had helped Ms. Lewinsky as a matter of routine generosity after she had been "referred" to him by

Betty Currie, the president's secretary. Mr. Jordan also said that Ms. Lewinsky had told him there was no sexual relationship and that he had never encouraged her to lie.

Mr. Jordan said he helped Ms. Lewinsky arrange interviews with two companies where he was a director, American Express and Revlon.

Kenneth Starr, the White House independent counsel, is investigating whether Mr. Clinton or anyone else urged Ms. Lewinsky to lie in a sworn statement about her relationship with the president.

He is also looking into whether Mr. Jordan or others helped find her a job in New York as part of an effort to buy her silence.

Mr. Jordan has told friends and associates that he remains loyal to the president. But that loyalty may be undergoing its severest test.

One friend, repeating Mr. Jordan's complaints that he was not informed Ms. Lewinsky might be a witness, quoted him as saying, "I know what loyalty is, and I'm not a fool."

Mr. Jordan's account differs in some respects from that of Ms. Lewinsky, which has been described by lawyers familiar with her version. Her lawyers have told Mr. Starr that she is prepared to testify she told Mr. Jordan she had a sexual relationship with the president.

But Ms. Lewinsky's account to prosecutors, according to the lawyers, is consistent with Mr. Jordan's version of events in this respect: She says he never encouraged her to lie.

By all accounts, in early December, Ms. Lewinsky and Mr. Jordan talked about jobs. She was leaving her job in the public affairs office of the Pentagon and wanted to work in the private sector in New York City, where her mother lived. Mr. Jordan used his influence with three corporations: Young & Rubicam, the advertising agency; Revlon and American Express.

On Dec. 8, according to an account by The Associated Press, Ms. Lewinsky sent her resume by courier to both Mr. Jordan and Mr. Currie.

Three days earlier, Mr. Clinton's lawyers had been notified that Ms. Lewinsky might be called as a witness in the Jones case.

But Mr. Jordan was not told of this legal development even as he put in considerable effort finding Ms. Lewinsky a job, said the lawyer who knows Mr. Jordan's account.

By Dec. 19, however, Mr. Jordan knew Ms. Lewinsky needed legal help when she appeared at his office saying she had been subpoenaed to testify in the Jones case, the lawyer said. Mr. Jordan called a lawyer friend, Francis Carter, to set up a meeting.

ASIA/PACIFIC

The Other U.S. Channel to China

An Unofficial Delegation Cuts Through 'Ritual' to Address Taiwan

By John Pomfret
Washington Post Service

BEIJING — One week before Secretary of Defense William Cohen arrived in Beijing for talks last month, his predecessor, William Perry, slipped into town at the head of a high-level delegation of former U.S. officials.

Mr. Cohen's visit dealt mostly with generalities, wrapped one official said, in "the stultifying ritual of Chinese statecraft."

But Mr. Perry's delegation, which included a former chairman of the Joint Chiefs of Staff, General John Shalikashvili, a former national security adviser, Brent Scowcroft, and a former assistant secretary of defense for international security policy, Ashton Carter, focused on one of the most potentially explosive areas in Asia: the Strait of Taiwan and relations between Beijing and the increasingly independence-minded 21 million people of Taiwan.

After seeing officials here, Mr. Perry spent three days in Taiwan, where he told political leaders that they should not count on U.S. military support if they were to officially declare independence. China has threatened to attack Taiwan if it rejects the decades-old idea that there is one China by declaring itself a new nation.

Mr. Perry's mission was part of a delicate attempt by the U.S. government to open an informal back channel of communication between Beijing and Taipei, U.S. officials said. After years of frustrating official talks over Taiwan, U.S. officials have encouraged the formation of what they call a "track 2" dialogue between the mainland and Taiwan with the aim of decreasing tension between the two adversaries.

Washington has used business leaders, former officials and free-lance patriots as messengers around the world before. The magnate Armand Hammer passed messages to the Soviet Union in the 1930s. In recent years, the financier George Soros has backed U.S. government programs in Bosnia-Herzegovina with cash.

But Mr. Perry's unofficial trip to China was unusual because its participants made no attempt to disguise its official backing. It was one of a series of meetings planned for the next few years, sponsored by Harvard University and the National Committee on U.S.-China Relations.

The former defense secretary and his colleagues were given briefings at the Pentagon and other agencies before departing for China and Taiwan. And U.S. officials, frustrated at the slow pace of U.S.-China security ties, spoke openly of their hope that Mr. Perry could achieve some success.

A senior U.S. administration official called the talks "a useful and necessary component of a not-very-productive official dialogue."

"Official dialogue on Taiwan with the Chinese tends to be pretty sterile," he added, noting that senior U.S. officials have been banned by the U.S. government from traveling to Taiwan since Washington switched recognition to Beijing in 1979. "This is a way to get away from the formulaic and ritualistic nature of many of our contacts."

Kurt Campbell, deputy assistant secretary of defense for Asian and Pacific affairs, was more extravagant in his praise. "Bill Perry is a latter-day George Marshall," he said in a reference to the American general's failed mission to China after World War II to patch up relations between the Communist and Nationalist parties. "This is the most significant delegation to go to China since 1994. His 'track 2' could be a tremendous testing area."

The Pentagon also hopes that the off-line contacts with China might encourage Beijing to cooperate more in sensitive areas with the U.S. government — such as in North Korea and the Gulf — by creating an informal talk shop where prominent American and Chinese figures can exchange views without the restrictions of formal meetings.

Official U.S. efforts to prod Beijing to release intelligence about what is happening in North Korea have not been as successful as many officials would have liked. Similar attempts to persuade the Chinese military to undertake joint exercises for disaster relief with U.S. forces have met with resistance.

The Perry talks are also a way for Americans to seek broader contacts with the Chinese security establishment. U.S. military officers are trying to overcome Beijing's unwillingness to allow them access to Chinese operations officers — battalion, brigade or division commanders, ship captains and air squadron leaders.

Mr. Perry said in an interview that the

goal of his dialogue was to "get outside the box" with his Chinese interlocutors, President Jiang Zemin, Defense Minister Chi Haotian and Lieutenant General Xiong Guangkai, chief of Chinese military intelligence.

Participants say one benefit of the discussions is that they allow the Pentagon to raise ideas with the Chinese without having to first explain them to Congress, which has at times taken a dim view of U.S.-China military ties and has ordered the Pentagon to report all of its contacts with the Chinese military.

Congressional sources and some Pentagon officials say one potential downside is that former officials involved in the trip might use the official imprimatur of "track 2" contacts to push their business interests. Mr. Scowcroft has lobbied in China on behalf of American companies, as have many other former American officials.

In Beijing, Mr. Perry urged China to resume talks with Taiwan over economic, cultural and trade issues. Those talks were suspended in 1995 after President Lee Teng-hui became the first leader of Taiwan to visit the United States since 1979.

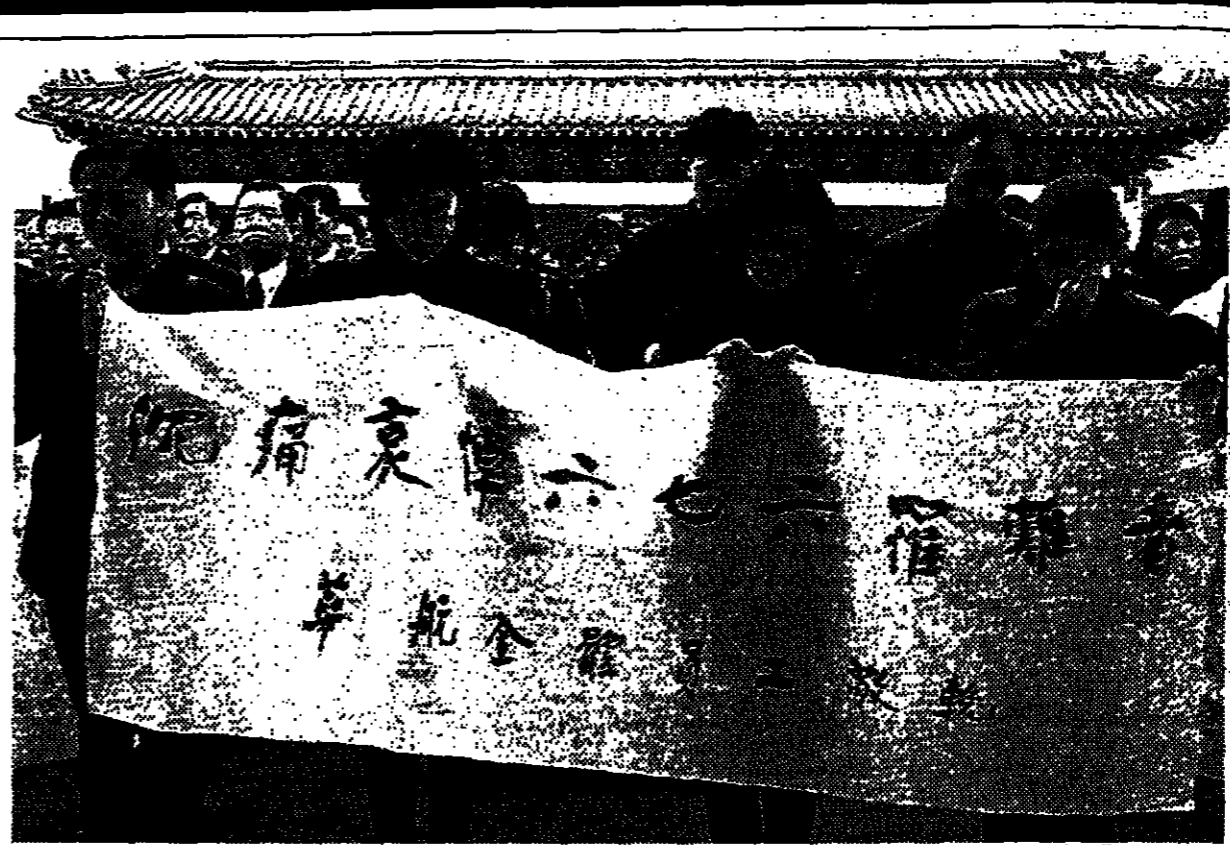
When he went to Taiwan, Mr. Perry told senior opposition figures that the United States would probably not defend Taiwan if it officially declared itself a new, independent nation. Taiwan officials said his remarks constituted, for them, the most significant signal in years about U.S. intentions toward Taiwan.

"I gave them a pretty blunt assessment," Mr. Perry said of his talks with Chen Shui-bian and Hsu Hsin-liang, leaders of the Democratic Progressive Party, which supports independence. "There is a possibility that they could be in power one day. I just wanted them to understand that independence could be a catastrophe and if they thought that the U.S. would bail them out, they were wrong."

On the surface, Beijing seems to have supported Mr. Perry's trip. Five days after he left China, the Foreign Ministry announced that it was willing to resume talks with Taiwan "with no preconditions." Taiwan did not immediately agree to resuming talks, but U.S. officials say they are optimistic that the impasse could be broken this year.

"We told both sides that there is low-hanging fruit that easily could be plucked here," Mr. Carter said.

BRIEFLY



Employees of China Airlines at a funeral service Sunday holding a banner expressing grief for the victims of a plane crash Feb. 16 near Taipei. A newspaper reported that the plane was flying at an unusual altitude.

Taiwan Jet Flew at Odd Altitude

TAIPEI — A China Airlines jet that crashed last week near Taipei's airport, killing 202 people, was flying well above the standard altitude when it approached the runway, a newspaper reported Sunday.

Radar showed that when the Airbus A300-600R was about five kilometers (three miles) from the airport, the jetliner was flying at 390 meters (1,300 feet), much higher than the standard approach of 270 meters, the China Times Express said. The pilots attempted to descend quickly to correct the mistake, the paper said, quoting unidentified aviation officials.

No official reason for the plane's crash has been given, but investigators say the plane veered sharply to the left as it came in to land. It then crashed beside a runway and exploded. (AP)

Rocket Failure Ruins Satellite

TOKYO — The Japanese space agency said Sunday that a multimillion-dollar communications satellite was irreparable after a domestically developed rocket failed to send it into a proper orbit.

The agency is studying why its H-2 rocket did not complete a second-stage burn, scuttling the mission Saturday. It was the first time such a rocket had failed, officials said. The failure comes as Japan's fledgling National Space Development Agency is trying to turn itself from an expensive government project into a commercial satellite-launching operation. (Reuters)

Blackout Hits New Zealand City

AUCKLAND, New Zealand — The local power company warned residents and businesses in the city center Sunday not to expect their electricity to be restored before next weekend.

Only 30 percent of the central district had electricity after a power cable failed Friday for no apparent reason. The power company, Mercury Energy, said that percentage would drop to 10 percent Monday, leaving only hospitals and emergency services with electricity.

Residents were advised to throw out thawed food and to seek shelter elsewhere until power was restored. (Reuters)

Indonesia Ban on Protest Begins

JAKARTA — A 25-day ban on street protests went into effect Sunday in Indonesia, which has been shaken by riots.

Interior Minister Yogie Memet said last week that all protests would be banned around the time the People's Consultative Assembly meets, from next Sunday until March 11. At the assembly, President Suharto is expected to be elected to a seventh five-year term.

The order was issued as unrest mounted in the nation of 200 million people, which is facing its worst financial crisis in decades. Riots erupted in a score of towns in recent weeks. (Reuters)

King Regrets a Life in Politics

PHNOM PENH — King Norodom Sihanouk of Cambodia said Sunday that his experience in politics had been humiliating and that he wished members of the royal family would abstain from politics.

"If the Cambodian royal family wants to give any chance to the monarchy to survive, its members must abstain from making politics or competing with 'strongmen,'" the king said in remarks released by the palace.

King Sihanouk, who serves as head of state in Cambodia's constitutional monarchy, typically refers to Second Prime Minister Hun Sen as a "strongman."

Mr. Hun Sen ousted Sihanouk's son, Prince Norodom Ranariddh, as first prime minister and has since he would support moves to ban royalty from politics. (Reuters)

Indian Hindu Party Protests State Shift

Compiled by Our Staff From Dispatches

NEW DELHI — The main Hindu nationalist party threatened Sunday to stage nationwide protests over the dismissal during a general-election campaign of its government in the country's largest state.

How the sudden dismissal of the Uttar Pradesh state government might affect the national election was unclear. But it shifted attention away from the second stage of voting for a federal government.

Nationwide, 183 constituencies with 201 million registered voters went to the polls Sunday. A total of 222 seats in the 545-seat lower house of Parliament were decided in the first round last week, and the remaining vote will be spread over four more days.

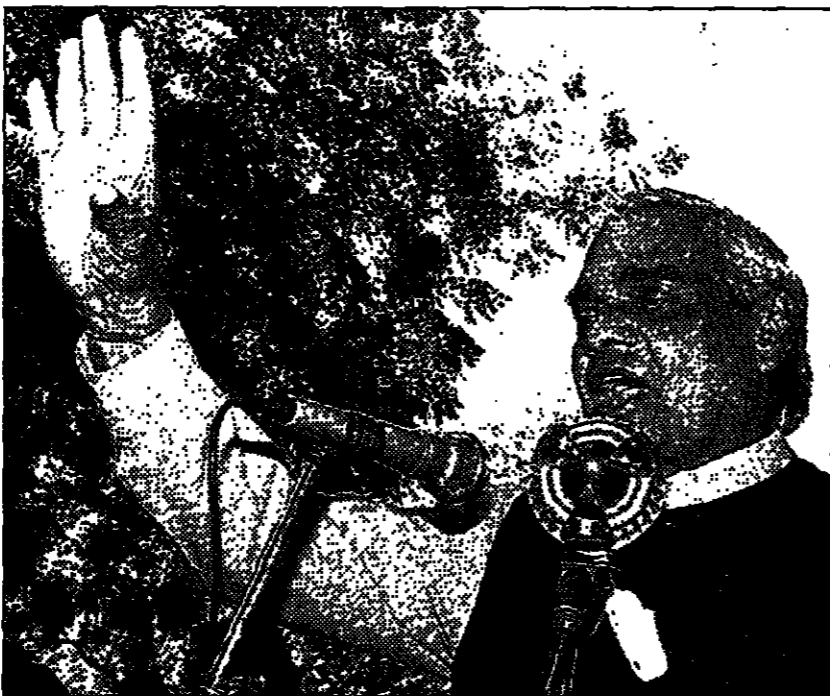
Atal Bihari Vajpayee, leader of the Bharatiya Janata Party, began an indefinite hunger strike at midnight Saturday, hours after the Uttar Pradesh administration, which is led by his party, was dismissed by the state's governor.

First, two key allies of the party withdrew their support, reducing the state government to a minority. Within hours, Governor Romesh Bhandari installed a new government led by the deserting parties, ignoring assertions by the outgoing chief minister, Kalyan Singh, that he could still muster a majority in the legislature.

Mr. Vajpayee charged that the governor had misused his authority and demanded his resignation.

"In the dark of the night, Kalyan Singh's government was dismissed to affect voting in Uttar Pradesh," Mr. Vajpayee said. He called the dismissal a coup aimed at seizing the state machinery to influence the voting.

The Bharatiya Janata Party was expected to emerge with the largest number of seats in the general election, but poll-



Atal Bihari Vajpayee, a Hindu nationalist leader, denouncing at a rally Sunday the replacement of the government in the state of Uttar Pradesh.

sters have said it will not win a majority.

The party's president, Lal Krishna Advani, met President K.R. Narayanan of India and demanded that Mr. Bhandari be fired for an "outrageous assault on democracy."

Scattered violence marred the second round of the election. At least eight persons were killed, six of them in Bihar, a province plagued by crime and caste tension.

But officials said polling was far more peaceful than last week, when 23 people died across the country.

"At the risk of finding other viewpoints, the commission is finding it a very satisfying day," the chief election commissioner, Manohar Singh Gill, said.

Election officials reported a moderate turnout of 55 percent in the 183 constituencies spread across nine states and one federally administered territory.

Voting ends March 7 in all but two snowbound constituencies in the north, which go to the polls in June. A clear picture of the results will emerge soon after the counting of ballots starts next Monday. (AP, Reuters)

With No Sign of Support, Yen Teeters on Brink

By Carl Gewirtz
International Herald Tribune

PARIS — No surprises were expected, none were produced and so the weekend meeting of the Group of Seven finance ministers and central bankers has cleared the way for the yen to seriously weaken, analysts said.

Whether it does fall, said John Llewellyn at Lehman Brothers in London, depends on whether traders finally give up fearing an imminent turnaround in Japanese policy. Such expectations, he said, have kept the yen stronger so far this year than had generally been expected.

"The Japanese have been playing a risky game," Mr. Llewellyn said. "They keep promising they will do something, they keep saying a policy change is just around the corner. But it keeps not coming. Now they say a fiscal

expansion plan will be announced after the budget is approved, end-March or early April.

"But there is a risk that there may come a point where people just lose confidence in Japanese management of the economy," he added. "It could happen."

John Lipsky at Chase Manhattan in New York said, "The way is now clear for the dollar to push toward 140 yen over the next few months — unless the Japanese produce much more decisive action" to get the economy moving.

But the expected move may not begin until the start of the new fiscal year, on April 1, said Brendan Brown at Tokyo-Mitsubishi Bank in London. He noted that in contrast to all expectations, the yen this year has been one of the best performing currencies — up 2.1 percent against the dollar and up 3.3 percent versus the Deutsche mark.

The dollar finished at 127.955 yen last

week in New York.

There was an enormous amount of foreign bonds sold by Japanese institutions in November and December, totaling 4.9 trillion yen (\$38.28 billion). Mr. Brown estimated that the bonds — largely U.S. Treasury securities — were sold to repay dollar loans that at the time could be rolled over only at a stiff premium and thus were not a factor influencing the exchange rate.

But a slowdown in Japanese foreign direct investments and a drop in offshore lending by banks and insurance companies interrupted the normal recycling of Japan's huge trade surplus, he said, putting upward pressure on the exchange rate.

"A big increase in portfolio outflows into foreign bonds is being held by end-year considerations," he said, and once they are out of the way, "we will see a move in the dollar back over 130 yen."

YEN: Lack of Confidence in Tokyo Policy Is Seen Hitting Markets

Continued from Page 1

policies. The ministerial communiqué was unusually blunt, calling Japan's economic outlook "weak" and citing the view of the IMF executive director, Michel Camdessus, that "there is now a strong case for fiscal stimulus to support activity during 1998."

Hans Tietmeyer, the president of the Bundesbank, Germany's central bank, criticized the piecemeal character of Japan's frequent reform packages, including a batch of measures announced Friday aimed at bolstering banks and the stock market.

G-7 officials did not expect

any fresh commitments here by the Japanese, but they were struck by the defensive posture of the country's new finance minister, Hikaru Matsunaga. Mr. Matsunaga insisted that Japan's latest measures had simply been misunderstood by its allies. Although officials in Tokyo have suggested the possibility of supplementary programs after the budget for the fiscal year beginning April 1 is approved next month, Mr. Matsunaga gave no hint of any such plans.

Analysts say the government of Prime Minister Ryutaro Hashimoto has fixed itself on a deficit-reduction policy that may be self-defeating.

The government raised taxes sharply last year to close its budget gap, but the deficit is expected to remain at 4 percent of gross domestic product this year — sharply higher than Italy's, for example — because the taxes have stifled growth. In contrast to the collision over Japan's fiscal policy, finance and labor ministers from the G-7 countries and Russia struck a note of harmony in discussions over ways to promote job creation.

The Group of Seven comprises Britain, Canada, France, Germany, Italy, Japan, and the United States. Russia began participating in G-7 meetings last year and wants to be made part of a formal "Group of Eight" this year.

The ministers agreed on a broad set of principles for em-

ployment policies, such as improving education and training for the long-term unemployed, reforming tax and benefit systems to make low-paid work more attractive than welfare, and taking steps to foster the creation of small businesses.

U.S. officials did not hide their disapproval of France's proposed 35-hour work week, and Mr. Rubin urged Europe not to lose sight of the need for structural reform of its labor markets in the drive toward monetary union. But there was none of the British-American crowing about the benefits of deregulation that characterized previous G-7 discussions on jobs, particularly last year's summit meeting in Denver. "We're not speaking on this from the moral high ground," Mr. Rubin said.

CROSSWORD

- ACROSS**
- "Dear old" guy
 - Where Normie is
 - Nick and Nora's pooch
 - N.Y.C.'s, — of the Americas
 - to go
 - Urban haze
 - Tiny bile
 - Put
 - ET's craft
 - Patriot Allen
 - Oss. end oss.
 - Facial speem
 - Lucy's hubby
 - Kat's reply to a launt
 - Cousin of "Oyl"
 - Della of "Touched by an Angel"
 - Swave actor David and others
 - Scottish children
 - Opposite of WSW
 - Unclouded
 - Sentry's "Stopt"
 - Europe's "boot"
 - Hounds
 - Yale student
 - Glance

- DOWN**
- Tangoed, e.g.
 - Fly a plane
 - Ocean bottoms
 - Fire-setting crime
 - Lion's home
 - Florence's river
 - Link a contract
 - Prepares to pray
 - Farming; Abbr.
 - Beginning on
 - Not so bumpy
 - Coal delivery unit
 - Grow older
 - City transit
 - Most equitable
 - Jazzman Blake
 - Spot
 - Put
 - Chinese leader Sun — sen
 - That a Shame! ("I hit for 18-Across")
 - Scottish children
 - Opposite of WSW
 - Methods
 - Refuse to yield
 - Decadal point
 - Billy the Kid's surname
 - Country restaurant
 - Fortune 500 listings; Abbr.
 - Falaises; Abbr.
 - Common language suffix
 - Bing Crosby's record label
 - Add extra music to, as a vocal tape
 - Chow down
 - "Give — rest!"
 - Er's payment, modern-style
 - Right-angled bend
 - Guemila
 - Guerrilla
 - Falstaff's prince
 - Alternative to Maytag or KitchenAid
 - Followed orders
 - Jeans brand
 - Six-line poem
 - Bébé's best
 - E. Young (accounting firm)
 - Play parts
 - Elevator innovator
 - Opera's — Te Kanawa
 - Geologic periods
 - Observed
 - Spanish quart
 - Japanese sash

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Feb. 20

HASHBROWNS INNS
APPALACHIA NOEL
HEAVENLY EISE
ASSNITERS RISE
DOPE STRIP
SATES HOSNI ELY
AMON SOFTEN BRE
CORDITE PAGEBOY
RUR NABBER WODE
EKE GREAT CUBED
DANTE BERO
GITE ANY SOLOWS
OMIT SALESWOMEN
WEAR STOLENBASE
SELA NOBONSENSE

**DO YOU LIVE IN
BELGIUM, DENMARK,
FRANCE, IRELAND, THE
NETHERLANDS OR U.K.?**

For information about subscribing, call toll free:
00800 4 448 7827
(00800 4 IHT SUBS)

Herald Tribune

THE WORLD'S LEADING NEWSPAPER

**Have you been to
THE INTERMARKET
today?**

Don't miss it. A lot happens there.

EUROPE

Russia to Finish Iranian Reactor

It Will Expand Role Despite U.S. and Israeli Objections

By David Hoffman
Washington Post Service

MOSCOW — Russia has decided to expand its role in building a controversial nuclear power station in Iran, despite objections from the United States and Israel that the technology could be useful in creating a nuclear weapons program.

At issue is Russia's \$780 million contract to build a 1,000-megawatt light-water reactor at Bushehr on the Gulf coast, finishing a project that was started by Germany in 1979 and later suspended.

The United States has sought to thwart completion of the atomic power plant even though Iran and Russia have denied that it could provide Iran with nuclear weapons technology.

Viktor Mikhailov, the Russian minister of atomic energy, said that he had recently visited the site and found the construction lagging.

He said that Russia was "finishing" the first of two planned atomic reactors. The surrounding buildings and auxiliary construction were supposed to be handled by the Iranians, but they "probably will not be able to cope" with that task, he added.

So, in my last meeting with the Iranian vice president, I suggested that we build that unit on a turn-key basis

and he went along with me," Mr. Mikhailov said. "Otherwise all the deadlines will be broken." He said that the original deadline for finishing the atomic power station was 55 months, but that in the last 25 months, the Iranians had completed only the equivalent of five months of construction.

"There is a terrific lag," he said, because of the Iranians' difficulties, which he did not specify. "All the rest, Russia will do itself."

He vowed that Russia would finish the full power plant in 30 months.

Iran has offered to put the plant under international safeguards. Under pressure from President Bill Clinton, President Boris Yeltsin of Russia agreed in 1995 not to sell Iran gas-centrifuge uranium-enrichment technology, which could be used to make bomb-grade uranium.

But some U.S. and Israeli officials have continued to question the nature of Russia's cooperation with Iran on nuclear matters and in transferring technology for building intercontinental ballistic missiles.

"I am sometimes asked, perhaps is Iran making a nuclear bomb?" Mr. Mikhailov said. "Well, it is not. And at the risk of offending my Iranian colleagues, Iran's potential today is such that perhaps they dream of building a nuclear bomb."

But, he said, "it still has a long way to go."

EU to Discuss Iran

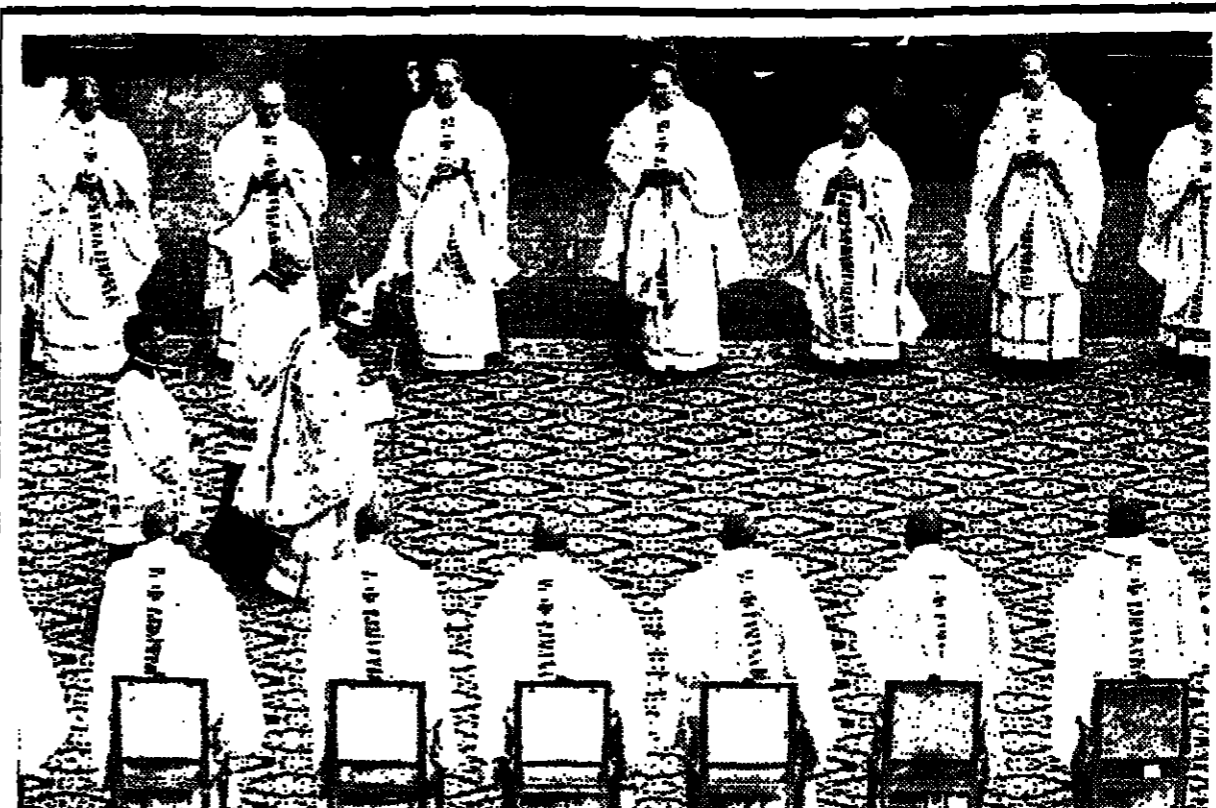
Tensions between the European Union and the United States over relations with Iran appear ready to resurface this week, Agence France-Presse reported from Brussels.

At talks in the Belgian capital Monday, EU foreign ministers are expected to take the first step toward normalizing relations with Tehran. These have effectively been on ice since the Islamic regime was implicated in terrorism in Germany last year.

Diplomats said EU governments had reached a consensus on the need to respond positively to the more conciliatory signals coming out of Iran recently.

The terms of the new relationship are to be thrashed out by the ministers, but diplomats said it was unlikely that the EU would end its current tight controls on Iranian embassies in Europe, many of which have been used as bases for secret service activities.

The EU's decision to suspend its previous policy of "critical dialogue" with Iran, made last April, followed a German court ruling that senior Iranian officials were involved in the organization of the assassination of four Kurdish dissidents in a Berlin restaurant in 1992.



Pope John Paul II walking between ranks of newly elevated cardinals Sunday during a Vatican ceremony.

Pope's Vision for the Millennium

By William Drozdzak
Washington Post Service

VATICAN CITY — Two years from now, Pope John Paul II hopes to fulfill one of his most cherished dreams. If his health permits and papal diplomacy is successful, he will ascend to the top of Mount Sinai with leaders from the Jewish and Islamic faiths to hold the first summit meeting of monotheistic religions.

Having toured 150 countries, helped inspire the collapse of communism in Eastern Europe and just completed a path-breaking visit to Cuba, the spiritual guide of the world's 1 billion Roman Catholics shows no signs of curbing his foreign policy ambitions.

Even though the 77-year-old pontiff is struggling with what is rumored to be the effects of Parkinson's disease, six bouts of surgery and bullet wounds from a 1981 assassination attempt, he appears determined to press ahead with his vision for a new millennium.

"His great hope is to awaken the entire world to the dignity and responsibility of defending human rights," said Cardinal Roger Echeagaray, president of the Vatican's Council for Justice and Peace and one of the Pope's most influential advisers on international affairs. "He is driven by the historic prospect of closer connections between the great religions, and with a little luck we will make it happen."

Besides building bridges to other faiths, John Paul is still working toward a reconciliation with the Russian Orthodox Church. At the same time, Vatican officials say he wants to solidify the Roman Catholic base in the Third World and enhance its global influence in the 21st century.

This agenda reflects the Pope's confidence in his ability to shape his evangelistic message in an era of global markets and instant communications. Perhaps no other leader — religious or secular — so effectively reaches out to every corner of the planet.

Yet in some ways, the Polish-born pontiff's philosophy seems paradoxical. While preaching liberty for oppressed peoples in Eastern Europe and the Third World, he does not tolerate public dissent within his own church.

He can sound like a progressive radical when he condemns social injustice and unbridled materialism, yet can act like a doctrinaire conservative concerning his and the church's long-held positions against contraception and ordination of women as priests.

He has received intense criticism in parts of the Third World for his opposition to artificial birth control, even when used to prevent the spread of AIDS or to limit population growth. In North America, his stand against women priests has provoked outrage among feminists and many Catholic liberals.

Still, John Paul remains enormously popular. His 1994 book, "Crossing the Threshold of Hope," a series of written answers to a journalist's questions that summarized his religious philosophy, became one of the biggest sellers in publishing history.

Paul Collins, an Australian priest and author of the book "Papal Power," said John Paul's status, promoted through television and jet travel, have given him "a peculiar ability to impose his agenda" and created a new situation in church history, "the seemingly omnipresent papacy."

John Paul, the first non-Italian pontiff in nearly five centuries, fluent in eight languages, has made 81 trips abroad during his 20-year papacy and appointed a record number of cardinals from Asia, Africa and Latin America, continents where the Roman Catholic Church is flourishing even while it loses support in the West.

Despite his frailties, the Pope is focused on spiritual celebration of the year 2000 as the crowning achievement of his career. Vatican officials say his mentor, Warsaw's late Cardinal Stefan Wyszyński, told him on the day of his accession in 1978 that he was anointed by God to lead the church into the third millennium. The cardinal's words, officials say, have sustained the Pope and inspired his grand designs for the Jubilee Year.

Now that he has returned from Cuba, one of Communism's last bastions, John Paul is setting his sights on Russia. He met this month with President Boris Yeltsin and sought his support to resolve a property dispute that has thwarted another of his millen-

nium goals: what he calls "total communion" between the Roman Catholic and Eastern Orthodox faiths.

Russian Orthodox leaders have rejected Vatican appeals to return property their church acquired when the Soviet authorities shut down Eastern Rite Catholic churches, mainly in Ukraine. Mr. Yeltsin's spokesman, Sergei Yastrzhembsky, said the president "does not want to interfere" in the conflict but hopes both churches "have enough wisdom, patience and goodwill" to resolve the argument so a papal trip to Russia can proceed.

In "Toward the Third Millennium," his 1994 apostolic letter, John Paul offered some insights into what is driving his peripatetic papacy. He said he wanted to promote a spiritual renaissance at the dawn of the 21st century — a goal he said could be considered the defining "key of my pontificate" — to establish a new moral doctrine distinct from the 20th-century secular philosophies of communism and capitalism.

His desire to reach out to other religions has not always succeeded. John Paul was said to be deeply hurt when Buddhist priests boycotted a papal visit to Sri Lanka after they complained they were insulted when he described their religion as "in large measure, an atheistic system." He tried to make amends by declaring his "profound respect and sincere esteem" for Buddhism, but the rancor has persisted.

Officials at the Vatican say the Pope's ecumenical message has aided the Catholic Church's expansion in the Third World. His pastoral visits to Africa and Asia have won vast numbers of converts. In Latin America, where the church has been challenged by Protestant evangelists, he has tried to use his popularity to restore support.

Early in his papacy, he clashed with priests and others in Latin America whose "liberation theology" backed various quasi-Marxist movements. The Pope has healed this rift and sympathizes with much of their reformism. That has improved the church's image in the Third World, which some Vatican officials say will be John Paul's second-greatest foreign policy legacy, after the demise of communism.

BRIEFLY

Georgian Gunmen Release a Hostage

TBILISI, Georgia — The kidnappers of four United Nations military observers released one of their hostages Sunday as a result of negotiations with Georgia's security minister and other officials.

According to Kakha Dzikia, a parliament deputy and hostage negotiator, Captain Julio Navas of Uruguay was released as a result of talks that took place after the nationalist gunmen made a new demand.

The UN observers, taken hostage Thursday, were being held in the western village of Dzikhskhskari.

Earlier, one of the kidnappers said on Georgian television they wanted a former top political leader, Nemo Burchuladze, to be brought in to take part in the negotiations. (AP)

In Turkey, Farewell To Welfare Party

ANKARA — The Welfare Party ceased to exist Sunday after losing a bitter fight with the secular establishment over the role of Islam in public life.

Publication in the official gazette gave legal force to a constitutional court verdict issued last month, ending an anxious limbo for both the Islamists and their critics.

The verdict shut down the party and imposes heavy restrictions on the Welfare leader and former prime minister, Necmettin Erbakan.

About 150 Welfare deputies now have no party affiliation. They will, however, still make up the largest opposition group in the 550-seat chamber. (Reuters)

Car Burnings Hit Strasbourg Again

STRASBOURG — A dozen cars were set on fire here from Thursday to Sunday, a fire service spokesman said.

Last month Strasbourg was at the center of a wave of unrest in French cities. In two weeks, more than 100 cars in the city were burned. (AFP)

For the Record

Fires in two Paris apartment buildings killed eight people early Sunday, the authorities said. One blaze was set off by a malfunctioning water heater, officials said, while the second was accidentally lit by a drug addict. (AP)

President Franjo Tudjman was unanimously re-elected to lead the ruling Croatian Democratic Union, the media reported Sunday. The only candidate in the secret ballot late Saturday, Mr. Tudjman won without any dissenting vote, state-run television reported. (AP)

Brazilian Film Wins Top Award in Berlin

BERLIN — The Brazilian film "Central do Brasil" ("Central Station"), directed by Walter Salles, won the top award — the Golden Bear — at the Berlin Film Festival, which closed Sunday.

Silver Bears went to "Wag the Dog," starring Robert De Niro and Dustin Hoffman, and to the director Neil Jordan for his Irish drama "The Butcher Boy."

The best actor awards went to Samuel L. Jackson for his role in Quentin Tarantino's film, "Jackie Brown," and Fernanda Montenegro for her role in "Central Station."

Splinter Group Violence Won't Stop Ulster Talks

Britain and Ireland Signal Shift in Policy

By James F. Clarity
New York Times Service

BELFAST — In order to keep the Northern Ireland peace talks working toward an agreement by May 1 on the future of this British province, the governments of Britain and the Irish Republic have decided that terrorist attacks by Roman Catholic and Protestant splinter groups will not stop the negotiations, as they have several times since the talks began two months ago.

Officials say the decision is a matter of new emphasis and attitude, rather than new policy. Attacks by splinter groups lead to delays and partisan speechmaking, calls for expulsion from the talks, jeopardizing the completion of a peace settlement by the deadline.

The deadline is important because any agreement must be put to almost immediate referendums here and in the Irish Republic. The governments feel that if a delay lasted into June or July, a peace agreement would become tangled in the sectarian disruption and violence that comes with the annual Protestant patriotic marches that anger many Catholics.

The officials add that only two events could now break down the talks. One would be an open, admitted, provable act of violence by one of the major paramilitary groups with direct links to parties at the negotiations. The other would be the assassination of a prominent figure in the talks.

The new attitude toward splinter groups was signaled three weeks ago when both Prime Minister Tony Blair of Britain and George Mitchell, the former American senator who is chairman of the talks, said that the small, but skilled and vicious groups, would persist in terrorist acts in the coming weeks.

On Sunday, Gerry Adams, the Sinn Féin president, said his party would not be deterred by "Republican militants," that is, Catholic splinter guerrilla groups who oppose Sinn Féin. The Irish prime minister, Bertie Ahern, in an interview on Irish Republic television, made the new attitude explicit. He said that if new attacks are by "isolated mavericks," then "we can't be blown off course by that."

He defended the joint British-Irish decision Friday to expel Sinn Féin until March 9 because the Irish Republic Army was believed to have been involved in the killing of two civilians in Belfast two weeks ago.

"Those were not isolated, but well planned," he said.

The decision reflects a determination to avoid disruptions and the kind of political inactivity that was sparked by the governments' expulsion from the talks on Friday of Sinn Féin, the political wing of the overwhelmingly Catholic Irish Republic.

Mr. Adams concedes that he may have accepted a "transitional arrangement" in which the Irish Republic is given more influence in Northern affairs. In the view of radical Republicans, that makes him a traitor.

In Denmark, Political Parties Start Up Campaign Machinery

Reuters

COPENHAGEN — The campaign machinery of Denmark's political parties shifted into top gear over the weekend after Prime Minister Poul Nyrup-Rasmussen's surprise call for early national elections March 11.

The economy is healthy and the two competing blocs' views on major issues — foreign policy, the European Union, NATO membership and economic policy — are very similar. Analysts say many voters will focus on personalities rather than issues.

Mr. Rasmussen's Social Democratic Party has governed with the small Social Liberal Party led by Economy Minister Marianne Jelved since January 1993, winning re-election for a four-year term in September 1994.

Public opinion polls show the prime minister's center-left coalition neck-and-neck with the center-right bloc headed by the Liberal Party leader, Uffe Ellemann-Jensen.

The election has been portrayed as a

Pentagon Cuts Cost of NATO Expansion

By Philip Shenon
New York Times Service

WASHINGTON — With only weeks before the Senate votes on whether to expand NATO, Clinton administration officials say that a new Pentagon report has found that the direct costs of absorbing Poland, Hungary and the Czech Republic into the alliance will be \$1.5 billion over 10 years — much lower than earlier estimates.

The findings of the report, which is scheduled to be made public Monday, clash with estimates released last year by the Defense Department, which initially found that the total cost of the enlargement to NATO would be as much as \$7.2 billion over 13 years.

Administration officials said the Pentagon was able to scale back the estimates so sharply because a detailed review by NATO's military commanders found that the defense infrastructure of the new members is in much better condition than expected. Moreover, the old study assumed there would be four new NATO members, not three.

But critics of NATO enlargement said they saw a cynical effort by the administration and the North Atlantic Treaty Organization to manipulate the numbers to placate senators who might oppose the enlargement because of the cost. The Pentagon report accepts cost estimates that were originally produced by NATO, which has sought to play down the expense of expansion.

"There have been a series of estimates over the last several years and, to be honest, each one is lower than the last one," said Michael Mandelbaum, a professor at the School for Advanced International Studies at Johns Hopkins University, who is a critic of NATO expansion. "My sense is that these are estimates driven by the political needs for ratification."

The report is scheduled for release the day before Defense Secretary William Cohen and Secretary of State Madeleine Albright are expected to make a final push for Senate approval of NATO ex-

pansion at a hearing of the Senate Foreign Relations Committee. The full Senate is expected to vote on the issue early next month.

Even senators who support expansion have questioned whether the cost estimates may have been manipulated for political reasons.

"I am skeptical about the cost estimates, and if I were in the opposition, I would seize on the issue," said Senator Joseph Biden Jr. of Delaware, the ranking Democrat on the Foreign Relations Committee. "I can't swear to you that the books aren't being cooked."

The confusion over the cost of expansion may be understandable given the sweeping range of estimates that have been produced over the last year in the United States and Europe. Adding to the confusion is the fact that few of the estimates are directly comparable.

"This is an apples-and-oranges situation," a Pentagon official said. "All the estimates have used different time frames, made different assumptions about potential threats, measured different types of costs. Of course they're going to be all over the board."

A report by the Congressional Budget Office in 1996 estimated the total cost for NATO expansion at \$61 billion to \$125 billion over 15 years, a figure that included the additional expenses both in the NATO budget and in the military budgets of each of its member nations.

In a report last February, the

Pentagon set the total cost for expansion — to NATO and its member states — at \$27 billion to \$35 billion over 13 years, with the United States assuming \$1.5 to \$2 billion of the bill. The total additional costs in the NATO budget were pegged at \$5.4 billion to \$7.2 billion.

Administration officials said that the new report will revise the figures sharply downward, with the total additional cost to NATO fixed at \$1.5 billion over 10 years. The United States would be responsible for about a quarter of those extra costs, or about \$400 million.

The U.S. officials, speaking on condition of anonymity, said that NATO commanders touring Poland, Hungary and the Czech Republic over the last year have been impressed by the quality of the airfields, supply depots and other military installations they have visited — so much so that they believed the costs for expansion would be far lower than had been expected.

But Ivan Eland, the chief author of the Congressional Budget Office study, said he believed that the new Pentagon estimates for NATO expansion were so low as to be "ludicrous — this doesn't pass the straight-face test."

"To a defense-cost analyst, \$1.5 billion over 10 years is absolutely nothing," said Mr. Eland, who is now the director of defense policy studies at the Cato Institute, a libertarian research group based in Washington. "You can't even wash off tanks for that."

Blast Damages Train in Basque Region

The Associated Press

IRUN, Spain — A French high-speed train suffered minor damage when an explosive device went off on the railroad tracks in this Basque city, police reported Sunday. There were no injuries.

The police said only the driver and two assistants were on board the train when the blast occurred Friday evening as the train left Irun for the French border town of Hendaye.

No group has claimed responsibility for the blast, although the armed Basque separatist group ETA has regularly set off bombs as part of its 30-year-old campaign for Basque independence.

On Saturday, the ETA was blamed for planting a package bomb at offices of Spain's governing Popular Party in the northern city of Santander. The police detonated the bomb street outside the offices, and no one was hurt.

INTERNATIONAL

Clinton Ready to Bomb, But Not to Explain Why

His Problems in Articulating Policy on Iraq Are Complicated by Lewinsky Allegations

By Dan Balz and John F. Harris
Washington Post Service

WASHINGTON — President Bill Clinton sat down with several of his foreign policy advisers last Tuesday morning to review the draft of the speech on Iraq he was to deliver at the Pentagon later in the day. He had read it overnight and wasn't satisfied.

Pulling out an underlined copy of a recently declassified CIA report on Iraq's biological and chemical weapons capability, Mr. Clinton, said one official, ordered aides to beef up his speech with more of the details about Saddam Hussein's efforts to frustrate the will of the United Nations.

Still the president wasn't satisfied. As he sat on a Pentagon stage hours later, he continued to mark up the text with a pen. When he rose to deliver it, to the surprise of his advisers, he had reframed the entire argument.

"He's thinking about this a lot," a senior administration official said later. "He's thinking about making this case to the American people — how do you do it, how do you convey what the stakes are?"

As the standoff with Iraq enters a decisive week, Mr. Clinton is still struggling for answers.

He is, say his closest advisers, confident and comfortable about an eventual decision to launch a military strike against the Iraqis, if diplomacy fails. But he has yet to articulate in clear and compelling terms the case for military action and what it can accomplish.

Complicating Mr. Clinton's role as commander-in-chief is the controversy over his still-undefined relationship with a former White House intern, Monica Lewinsky.

As focused as the president may be on Iraq, the public backdrop for any decision includes the allegations hanging over him. Some critics say it could reduce his stature at home and abroad at this critical moment. Administration officials disagree vehemently and assert that the controversy will not affect the president's decision-making on Iraq.

"There is absolutely zero indication of that," said a senior administration official. "Just absolutely none."

But a friend of the president, while agreeing that Mr. Clinton has lost none of his focus on Iraq, said it is clear that the Lewinsky problem hangs over him. "We'll start talking about national security issues and then he will revert and say, what did you think about this aspect

of the Lewinsky problem. It's on his mind. There's no question about it. You can't consider him an automaton who can totally disengage from this nagging problem."

What worries Mr. Clinton most is that the American people have not been properly educated about the issue, according to advisers. But a senior administration official acknowledged that the "containment" strategy the president is pursuing toward President Saddam of Iraq is hard to explain to the public. "It is esthetically displeasing," said this adviser. "A policy of containment does not have the finality of a policy of overthrow."

Another official laid the president's failure to state the case for limited military action more clearly to the fact that diplomacy remained a live option for defusing the crisis as long as the UN secretary-general, Kofi Annan, was in Baghdad.

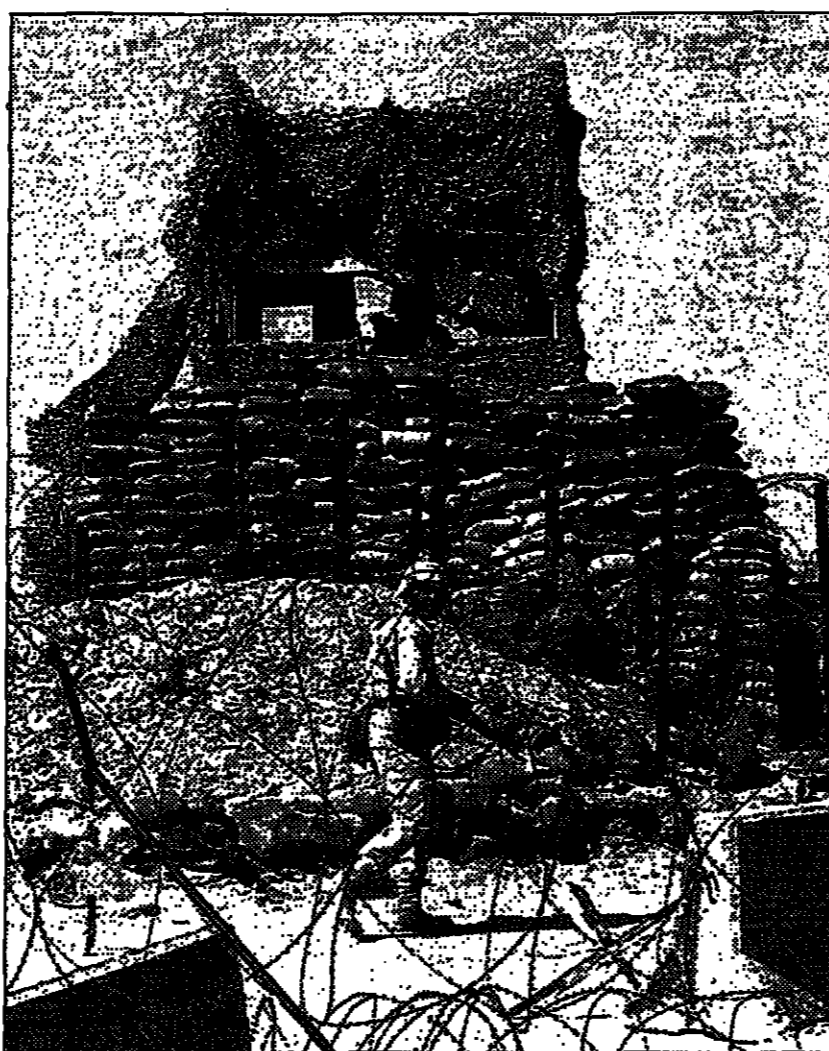
Mr. Clinton enjoys strong public support for military action against Iraq, but there is far more limited support for the goal he has outlined: strikes aimed only at reducing substantially Iraq's ability to produce weapons of mass destruction.

The most recent Washington Post-ABC News poll showed 63 percent of those surveyed support bombing of Iraq unless the Iraqis stop interfering with UN inspectors. Men are far more supportive of military action than women.

But a Newsweek poll made public Friday showed minimal support for the limited airstrikes. Given a choice of that option, an all-out air and ground assault to eliminate Mr. Saddam and his weapons or continued diplomatic efforts to force him to let the inspectors do their work, only 13 percent selected limited airstrikes. In contrast, 39 percent supported the diplomatic approach and 36 percent said they favored all-out action to remove Mr. Saddam and destroy his weapons-producing capacity.

The path Mr. Clinton has chosen — a middle ground between tolerating Mr. Saddam's defiance of the United Nations and his overthrow — has left him vulnerable to criticism on both the left and the right.

The dilemma was on vivid display at the televised forum at Ohio State University last week when Mr. Clinton's top foreign policy advisers found their policy picked apart simultaneously by people who questioned what gave Mr. Clinton the moral right to launch attacks and those who worried that the attacks would not be robust enough to really damage the Baghdad regime.



A U.S. soldier standing guard in Kuwait on Sunday at the command post for a battery of Patriot missiles, which would counter any Iraqi Scuds.

"It's a typical Clinton solution," said Robert Zoellick, who was undersecretary of state in the Bush administration. "The question is, where do you find ourselves six months or a year from now?"

Unless the military strike is more robust than anything the administration has signaled, Mr. Zoellick said, Mr. Clinton's response is "designed for domestic political consumption" so that he can tell people he has punished Mr. Saddam — even if the Iraqi is no weaker over the long term.

In any circumstance, the decisions Mr. Clinton faces would be difficult, but all the more so because of the Lewinsky scandal.

Despite the president's lofty approval ratings, a Republican pollster, Robert Teeter, said he believed the Lewinsky allegations have tarnished Mr. Clinton.

"I don't think you can go through what he's gone through and not have his stature, both in the world and in the U.S., diminished," he said. "This is when you want the president and the commander-in-chief to stand tall."

Administration officials sharply dispute that contention, arguing that there is no evidence that Mr. Clinton's problems

have caused foreign leaders to look at him differently and that public support for the president has not been affected by the allegations of sex and perjury. The Post-ABC poll found that while 68 percent of those surveyed said Mr. Clinton was a strong leader, 28 percent said he had high personal moral and ethical standards.

Mr. Clinton's top advisers portray a president comfortable with the responsibility of being faced with a decision to launch military strikes, but at the same time willing to stop short of that step if diplomacy can solve the problem.

Shibley Telhami, a Middle East specialist at the University of Maryland, said that if forecasts of a possible U.S. military strike force Mr. Saddam into last-minute concessions, the administration will have produced a remarkable achievement in brinkmanship. But an actual strike, he warned, could produce a backlash among Arab populations and their governments.

"The worst scenario is a military strike that does not improve the basic structure in the Middle East," Mr. Telhami said, predicting that this would mark "the beginning of the end of the Pax Americana of the past decade in the Middle East."

WASHINGTON: For Now, U.S. Takes a Wait-and-See Approach to Reported Deal

Continued from Page 1

Senior officials, speaking earlier Sunday, were adamant that there would be no deal if Mr. Hussein stuck to his demand for a 60-day limit on inspections of eight sites and said they were pleased that Mr. Annan had told reporters in Baghdad that such a limit was unacceptable to him. But the officials would not be drawn into discussing what might happen if Mr. Hussein instead offered a six-month limit, or a year, saying only that they would wait to hear what Mr. Annan produced before judging it.

Mrs. Albright spoke Saturday with Mr. Annan by telephone, an official said, and cautioned him not to make any "pre-mature decisions" before consulting with experts and Security Council members.

"It was only a generalized discussion and not a serious, detailed one, given the nature of the telephone and where it's coming from," namely Baghdad, the official said. "But she has a good relationship with the secretary-general, and they can speak to one another, and her job is to make sure he understands where our red lines are."

Asked if Mr. Annan was not already aware of American requirements, the

official said, "It's a message worth delivering and worth repeating."

Mr. Albright, the official said, wanted to make it clear to Mr. Annan that "there is no point making premature decisions about what this means until experts have had a chance to study it and what it would mean in practice, to understand whatever mechanism he may have worked out for UNSCOM to go where it hasn't gone."

UNSCOM is the UN special commission that oversees weapons-monitoring in Iraq. But given the possibility of eavesdropping by Iraqi domestic security services, another senior official said, "We are not seeking to have a real-time, in-the-loop engagement on this," adding, "Annan knows what our views are, and while he has been touching base with people, he's not relaying play-by-play and seeking our views."

The White House expects Mr. Annan to return to New York and brief the Security Council and give separate briefings to the United States and to the other four permanent members of the Security Council. "I am confident that he will provide a detailed briefing, but I don't expect that to happen until he returns," the official said.

Senior officials said that if Mr. Annan

delivered an acceptable arrangement from Mr. Hussein, they wanted to bolt it down, "probably with a new Security Council resolution, while 'making it clear to Saddam that there will be a clear, rapid and predictable price to pay for any backsliding,'" an official said.

That price would be military, the official confirmed, and would mean an extended period with U.S. and presumably British troops on standby in the Gulf.

Defense Department officials said Sunday that they had begun studying how the Pentagon would deal with a prolonged American military deployment in the Gulf to monitor Iraq's compliance with a UN-brokered settlement. As a result of the Iraq crisis, the United States has increased the number of troops stationed in the region by 70 percent, from about 20,000 to 34,000, and has placed two aircraft carriers in the Gulf. Usually there is only one aircraft carrier in the Gulf, for an average of two to three months a year, there is none.

"If we have to maintain two carriers there for a long period of time — or if we decide to keep one carrier there all the time, rather than three-quarters of the time — then that will begin to have an impact on deployments elsewhere," a

Pentagon official said. "There will be strains over time."

The mission has already stretched Pentagon resources elsewhere in the world, notably in the northern Pacific, where one American aircraft carrier is usually on duty, its most important mission to monitor activity along the Korean Peninsula. The carrier that was supposed to be in the region — the Independence, which was expected to be operating this month from Japan — has been dispatched to the Gulf, and there is no other carrier in the region now.

Pentagon officials said that they had not been presented with cost estimates for the mission in the Gulf but that, for now, these were manageable from within the existing Defense Department budget. The cost would go up sharply only if the United States launched air strikes on Iraq. "Missiles are expensive," an official said. "That's when you begin spending real money."

As a result of the redeployment of the Independence, the Pentagon has ordered additional fighter-bombers and gunships into the region to bolster the defense of South Korea, although Pentagon officials said recent intelligence reports pointed to no special threat.

Britain Is Cautious Over Report of Deal

The Associated Press

LONDON — Britain responded cautiously Sunday night to reports that UN Secretary-General Kofi Annan and President Saddam Hussein had reached an agreement that could avert a U.S.-led military attack on Iraq.

The expectation is that Kofi Annan will make an announcement in the morning whether a deal has been brokered, "a spokesman for Prime Minister Tony Blair's office said."

Until that occurred, the spokesman said on condition of anonymity, the prime minister would not be in a position to make a substantive comment.

In Baghdad earlier, a diplomat said Mr. Annan and Mr. Saddam had removed the last major obstacle to opening presidential palaces to UN weapons inspectors, the main condition for avoiding a military strike.

A spokesman at the British Foreign Office saw signs of encouragement. "We need to get a fuller read-out, but there appear to have been some encouraging signs," he said.

Hours earlier, Defense Secretary George Robertson said Britain remained "firm and resolute" that, while it preferred a diplomatic solution, it reserved the right to use force if no pact were reached.

Foreign Secretary Robin Cook said before the Baghdad announcement that Mr. Annan was "the last serious envoy to come to Baghdad" and that Mr. Saddam "would be extremely unwise not to recognize that this provides an opportunity for diplomatic settlement."

BRIEFLY

46 Slain in Algeria In Highway Attacks

ALGIERS — An armed group attacked and killed 19 occupants of a truck on a deserted mountain road in eastern Algeria, newspapers reported Sunday, the second highway ambush reported in recent days.

In an attack similar to one in which Muslim militants reportedly killed 27 soldiers the same day, Friday, the gunmen set off an explosive in the road and then fired on the truck, two independent dailies reported.

No one claimed responsibility for the attack near Gijel, 300 kilometers (185 miles) east of Algiers, but Muslim militants were suspected.

The other attack was near Boghmi, in the Kabylia region, about 100 kilometers east of the capital. (AP)

Plot to Unseat Moi Is Laid to Clergy

NAIROBI — A newspaper owned by Kenya's ruling party accused Roman Catholic and Protestant clergy on Sunday of plotting to overthrow the government of President Daniel arap Moi.

"The church is on a mission to topple the government and is currently working closely to succeed in mobilizing the people for its big kill," the Kenya Times contended, quoting unnamed "impeccable sources in the church."

Mr. Moi on Friday described

church leaders as "merchants of anarchy" after they called for the formation of a constitutional conference to draft a more democratic constitution for the country. (AFP)

No Damage Found In Afghan Quake

ISLAMABAD, Pakistan — Opposition forces in Afghanistan found no new damage or deaths from a major earthquake that hit the northern part of the country Friday, a spokesman said.

The quake followed a Feb. 4 tremor that devastated remote parts of eastern Afghanistan, killing at least 4,000 people and making 30,000 homeless. The earthquakes occurred in territory controlled by a forces opposing the Taliban militia in Kabul. (Reuters)

Colombia Leader Hints at Departure

BOGOTA — President Ernesto Samper of Colombia suggested over the weekend that he might step down early if it would mean improved relations with the United States.

"If my leaving office contributes to improved relations with the United States and if the reality of Colombia's achievements these past three years against drug trafficking were truly understood, I would be prepared to make that contribution," Mr. Samper said in the port of Barranquilla in a speech made available by his press office. Mr. Samper's term ends Aug. 7. (AP)

GERMANY: A Country at a Crossroads

Continued from Page 1

moreover, have been diluted in political compromise, as is typical in a land that prizes consensus and fears confrontation that might awaken ghosts of the past. The political system devised for West Germany by the Western Allies after World War II, in fact, provides so many checks and balances that paralysis is nearly inevitable.

The result for employers is that the cost of hiring has become too high. To ensure that an employee gets net pay of \$2,000 a month, for example, employers must pay more than twice that amount in gross salary to cover mandatory withholdings for state pensions, taxes, health care and social security.

Some economists estimate that eight-tenths of Germany's 4.8 million unemployed people are unemployed precisely because of these costs.

Big business in Germany has already drawn its own conclusions, exporting manufacturing jobs to countries with cheaper labor, creating the paradoxical result of solid economic growth that does not reduce unemployment.

For decades, of course, Germany has been regarded as an economic model, the land that gave its people the longest vacations, highest pay, shortest workweek, earliest retirement, highest pensions and strongest safety net; so it is not surprising that the Darwinian ethic underlying economic growth in the United States — not to mention the legacy of Thatcherite Britain — should collide with German insistence that more than just the fittest survive, that the weak need their pensions and health care and unemployment benefits, too.

Government paralysis stems from various factors. The national elections scheduled for September have already transfixed politicians as they jostle for position rather than tackle issues.

Mr. Kohl and his coalition have been in office since 1982, so the twin genies of

fatigue and arrogance that beset Britain's Tories in the late '80s and early '90s and marked the final days of President George Bush's administration in the United States have become increasingly visible in recent years.

With the fanfare of Germany's reunification at the start of the 1990s reduced to a long, expensive, bumpy diminuendo, the nation's political life seems to be on hold, awaiting the planned move of the government to Berlin next year, the coming of the euro, the advent of the millennium, the elections.

But the rest of the world is moving on. Where the United States and Britain have performed the same conjuring act — ousting longtime conservative governments with a combination of youthful, charismatic leadership and the embrace of centrist policies that replace ideology with pragmatism — Mr. Kohl, Europe's longest-serving leader and most powerful conservative figure, is unchanging and unchanged.

"His two missions have been the reunification of Germany and to unite Europe, so that there can never be war again," said Patricia Clough, the British author of a newly published study in German of Mr. Kohl. "And he's never really grasped that the world is changing on other fronts, like globalization."

Yet Mr. Kohl, whose principal currency is his own immutability, may still be in power after the September vote. Not only is there no German version of Mr. Clinton or Mr. Blair on the horizon, but it is far from certain that German voters would risk embracing one when they sense so many other uncertainties.

As if anesthetized by decades of well-being, many Germans sense that change is inevitable but by and large have not felt the kind of economic pain that other Western populaces have. Indeed, many would ask, Why should we? In a land whose voters have grown accustomed to security, that is a question the politicians would prefer to leave for another day.

BAGHDAD: Few Preparations for Raids

Continued from Page 1

the capital. Markets are well stocked with oranges, tomatoes, cabbages and other produce. And under the oil-for-food plan, which permits Iraq to sell limited quantities of oil to buy food, individuals receive a monthly ration of 20 pounds (9 kilograms) of flour, among other staples.

There are plenty of consumer goods for those who can afford them and a few Iraqis, at least, appear to be prospering. The evidence includes the recent opening of several new boutiques and restaurants catering to an upscale clientele, including one, the Captain's Table, where the waiters dress up as pirates.

While most cars are shabby and ill-maintained because of a shortage of spare parts, plenty of new ones are on the road, including a fleet of shiny Hyundai sedans recently purchased by the municipal police.

"There are more supplies," confirmed a foreign envoy. "You can get anything you want here."

The sanctions have caused tremendous suffering, depriving hospitals of antibiotics and other basic medicines, triggering a surge in infant mortality and nearly destroying the country's once-thriving industrial base. The middle class, once one of the Arab world's largest, virtually has disappeared in a country where a policeman earns about \$3 a month.

"We don't care for anything any more," said Murtaza Khafaf, one of the guests in Miss Khedairy's garden. "You have jewelry? You don't wear it. Nothing interests us any more."

She has particular reason to feel bitter, having been treated for breast cancer last year in New Delhi, where her daughter lives. Now she needs follow-up tests with sophisticated medical equipment that is unavailable in Baghdad.

"We don't have bone scans here, and I can't afford to go to Amman to do it, so I'll have to wait," said Mrs. Khafaf. "I'm just sitting here."

Whatever their feelings about their authoritarian leader, Saddam Hussein, Iraqis interviewed during the last few days were happy to tell foreign journalists of their anger toward the United States.

"The Americans are not believers," said a cleric, Wafiq Obeidi, 36, as he prepared to enter the imposing yellow-brick Abu Hanifa mosque for prayers Friday. "The Arabs and Muslims must unite against the people who don't believe in God. They want to destroy the infrastructure of Islam."

This weekend, the government sought to capitalize on the presence of foreign journalists who were allowed into the country for the visit of the United Nations secretary-general, Kofi Annan, whose aim is to negotiate a peaceful end to the crisis over UN weapons inspections in Iraq.

Ordinary Iraqis and government officials alike were delighted by the spectacle of three top U.S. officials — Secretary of State Madeleine Albright, Defense Secretary William Cohen and the national security adviser, Samuel Berger — being jeered Wednesday night by anti-war protesters at a "town meeting" in Columbus, Ohio.

"Angry Americans have turned a live interview with three top officials of the U.S. administration into an open and fair people's court in which they issued their sentence, condemning and rejecting their government's aggressive policy toward Iraq," the Iraqi press agency reported Friday.

Mrs. Radi, who was educated in American schools here and in Beirut, concurred. "When we listened to it, I said, 'These are the Americans I used to know, the Americans I used to believe in.'"

But, given their recent history, few Iraqis appear to be betting on a peaceful outcome. "It's not something new for us," Khali Bakr, 36, said before sitting down to a game of backgammon at his grocery shop. "If they bomb us or not, it's the same thing. We haven't taken any precautions. It's something normal."

IRAQ: Annan and Saddam Reach a Deal on Weapons Inspections

Continued from Page 1

States to a greater extent than the Iraqis might expect.

UN officials would not comment on the meeting between Mr. Saddam and the Mr. Annan — their first face-to-face encounter — other than to say that the talks were "constructive."

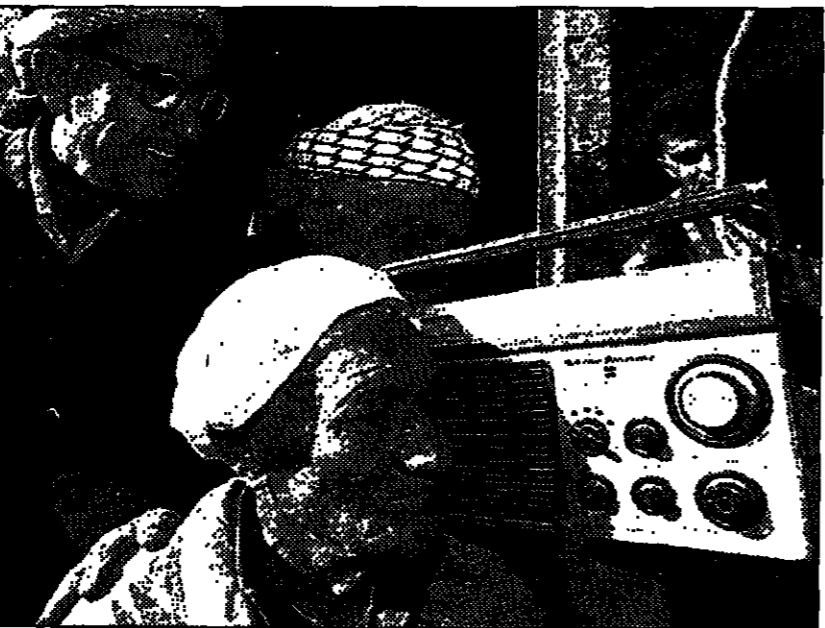
Responding to questions about the likelihood that the United States might find flaws in Mr. Annan's agreement, Mr. Eckhardt said that the secretary-general "has carefully tried to build Security Council support within the parameters in which he feels he has stayed in his talks with Iraqi authorities these last couple of days."

"He expects that what emerges from these talks he will be able to sell to the Security Council," he added, and that, moreover, "the secretary-general is authorized to enter into an agreement with any member state, which he's done in this case."

In return for opening sites it had closed to inspectors, Iraq appears to have won its bid for a different composition of inspection teams, adding diplomats to the UN inspectors, although control of the project will remain in the UN commission's hands.

Mr. Annan, who plans to leave Baghdad on Monday afternoon, hopes to take an agreement to the Security Council by Wednesday.

While an accord does not require formal approval, there are moves — led by France — to propose a council resolution endorsing his accord. Diplomats say that the United States, which had reservations about Mr. Annan's trip to



Baghdad residents pressing against a radio outside a café Sunday to hear the latest bulletins about the Annan-Saddam talks on inspection.

Baghdad, does not favor such a move.

The United States can reject any agreement and proceed with military action if it chooses. But the sense among UN officials is that this is less likely than it might have been a week or two ago.

Mr. Annan spoke this weekend with Mrs. Albright as well as leaders or high-ranking officials of the four other permanent members of the Security Council: Britain, China, France and Russia.

The secretary-general's meetings with the full Iraqi delegation, led by Mr. Aziz, were "civilized but also difficult," a UN official said. "There was no table thumping, no raised voices."

Mr. Annan's party seems to be especially conscious of the hostility that has been growing between Iraq and the disarmament commission, known as UNSCOM, whose inspectors are neither diplomats nor UN employees.

EDITORIALS/OPINION

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Serbs Set an Example

At last, the Serbs in Bosnia have a leader of whom they can feel proud. Milorad Dodik is the recently elected prime minister of the Serbian portion of the tripartite Bosnian state constructed by the Dayton accords. And Mr. Dodik, who visited Washington last week, has pledged to fulfill those accords, which sets him apart from previous Serbian leaders who profited from war and have obstructed peace.

In just a couple of weeks, Mr. Dodik has allowed the international war crimes tribunal to open an office in his capital and has encouraged Serbian indictments to turn themselves in; three have done so. He has promised to help non-Serbian refugees return to their homes, pledging to resettle 70,000 in the coming year. He has wrested control of the police from the war criminals hiding out in the eastern town of Pale.

All of this takes courage and cunning, and Mr. Dodik deserves the West's support. That means, most immediately, money. Police, teachers and others have not been paid in months, and Mr. Dodik's survival depends on showing that he can deliver more than the outlaws he replaced.

More generally, it means giving Mr. Dodik a little room as he finds his way. Human rights groups greeted him in Washington with a host of demands and concerns. As reminders, these are well placed; but, given the precarious

perch of the pro-peace party, this is a time to show some patience, as well.

The early progress in Republika Srpska, as Mr. Dodik's realm is known, opens opportunities for and puts new responsibilities on his Muslim counterparts in Sarajevo.

Until now they have enjoyed a fairer reputation than the Serbs, and for good reason: crimes were committed on all sides of the Yugoslav war, but the Muslims suffered most. But now the Muslim side of Bosnia is less pluralistic, less open, less democratic than Srpska. The Muslim leaders of Bosnia, mostly former Communist bosses, resist opening the media to opposition politicians. They block the return of refugees. They refuse to share information or cooperate with their Croatian partners.

Until now, Serbian intransigence offered some justification, questionable but understandable, for this stance; the Bosnians did not want to let down their guard as long as the shadowy Radovan Karadzic was in charge of the Serbs. And Mr. Karadzic and his gang provided political cover for the Muslims, too — who could criticize them as long as Serbian war criminals were still effectively in power? Now both the pretext and the political cover are gone. Republika Srpska has opted for peace. It's time for the Muslims to get serious about Dayton, too.

—THE WASHINGTON POST.

Gore and the Temple

It took more than a year of prodding to get the Justice Department interested in how the White House and the Democratic National Committee financed the 1996 campaign, but the indictments are flowing now. Maria Hsia is charged with laundering more than \$55,000 from the Buddhist temple luncheon for Vice President Al Gore on April 29, 1996.

A Senate committee's charge that Ms. Hsia was a Chinese intelligence agent during an eight-year period when she worked closely with Mr. Gore and the DNC has yet to be proved, but the tale of those years is too important to be lost amid war talk and sex scandals.

One fascinating aspect is the way Mr. Gore's memories of the temple event have evolved (to use the polite possible term) as more information has emerged. During the 1996 campaign he said his appearance at the Hsi Lai Temple was a "community outreach" event. Four months later he remembered that it was "finance related."

Indeed it was. According to a report by the Senate Governmental Affairs Committee, a witness recalled fundraising announcements from the podium. The committee found a memo from Harold Ickes to Mr. Gore telling him that the event would raise \$250,000 and be organized by John Huang, the DNC official who circulated among the donors during lunch.

If Mr. Gore was not aware that the presence of Mr. Huang and Ms. Hsia at the temple luncheon proved that money was being raised, we are dealing with obfuscation of a rare order.

Punishing Paparazzi

In the grand scheme of things, the need of celebrities for protection against photographers is not one of the critical issues facing America. It is getting inordinate attention now because of the death of Princess Diana and the fact that Hollywood has a lot of money for politicians who propose laws to restrict news gathering by the tabloids. A bill unveiled last week by Senators Dianne Feinstein, Democrat of California, and Orrin Hatch, Republican of Utah, is more responsible than some previous suggestions. But it still proposes restrictions that are at best unnecessary and at worst harmful to legitimate news gathering and the free-expression rights of citizens.

For example, under this proposal a photographer taking shots with a telephone lens could, in some circumstances, be sued for trespassing if a photographer using a regular camera would have to go onto private property to take the shot. Americans, as amateurs and professionals, have been taking pictures for more than a century. To restrict that practice on the basis of focal length sounds like a bad joke. Existing trespass laws are strict enough.

The law's second big provision makes it a federal crime for photographers to repeatedly chase someone

in a way that would cause a reasonable person to fear bodily harm. Like the trespass provision, it seems to be legislation in search of a problem.

Senator Feinstein has referred to the anger the public felt when Monica Lewinsky had a traffic accident while her car was being pursued by reporters. But that incident would not have been covered by the bill, which is aimed only at photographers who continually follow a given celebrity. If anyone from the media drove in an unsafe way that put Ms. Lewinsky in peril, he or she can be charged with reckless endangerment under existing law.

For celebrities like movie stars, some loss of privacy goes with the territory. But when photographers begin to go too far on a regular basis, there are ways to protect them without harming the U.S. Constitution. In a decision that was taken as a sign of a new get-tough policy in the movie community, the two photographers who followed Arnold Schwarzenegger and his family were recently found guilty of false imprisonment.

The Feinstein-Hatch bill has a fancy title, the Personal Privacy Protection Act, but it is really special-interest legislation for a small privileged group.

—THE NEW YORK TIMES.

Iraq and Indonesia: Jobs America Can't Do Alone

By Jim Hoagland

WASHINGTON — The Hegemon Problem of U.S. foreign policy was a few months ago an academic exercise confined to the State Department. Big thinkers pondered having someday to do something to counter backlash abroad to the overwhelming preponderance and use of American economic and military power.

Iraq and Indonesia have changed someday into today. These overlapping crises point up America's power, global responsibility and vulnerability to being painted as an international bully. The potential for strong backlash against the United States in the Middle East and Asia has become an important factor in the managing of both crises.

The Iraqi and Indonesian challenges to U.S. policy overlap in time and in potential for anti-American backlash. If mishandled, they will provide the Lilliputians of the world lots of rope to tie down Uncle Gulliver.

Iraq is a nagging remnant of the unresolved Gulf War of 1991, a throwback to issues of war and security that candidate Bill Clinton did not expect to loom large in his post-Cold War presidency. But the credible threat of devastating military force is the only effective instrument that he has found to use against Saddam Hussein.

Mr. Clinton's options have been clear from the beginning and spelled out over and over again in public declarations in an effort to get Saddam to yield.

Indonesia and its demands on American crisis management are totally different. U.S. official talk has been minimized to avoid spooking markets and Indonesia's explosive social tensions. The high-level working group that meets almost daily in the office of Mr. Clinton's chief of staff, Erskine Bowles, is a stealth operation.

The Clintonites have found the economic crisis more complex than Iraq, and seem less well-prepared to handle it. Conflicting analyses from Treasury and State over whether or how Washington can help President Suharto ride out this crisis consume much of the internal policy deliberations.

Mr. Suharto complicates the task by refusing to accept fully the program of change urged on him by Treasury and the International Monetary Fund. He points out that the IMF measures have not stabilized Indonesia's plummeting economy. But he does not offer any persuasive alternative, stubbornly sabotaging efforts to break up the network

of corruption and incompetence that this crisis has exposed.

Treasury draws a rational economic conclusion from such behavior: Pouring substantially more money into Indonesia now will not help as long as the regime does not have its act together.

Such waste could endanger U.S. chances to use emergency support funds later when help could make a difference. The Suharto regime is still falling, and has to hit bottom and bounce before significant new U.S. and IMF help makes sense.

The State Department view is characterized by administration insiders as one of strategic desperation, a feeling the United States must act to help a big and important country, without knowing how. Mr. Suharto has ordered his military to put down unrest with whatever means necessary. Leaving him to sort out his own fate can only lead to greater disaster, in this view.

Six months after Indonesia's crisis began, the administration's longest-term goal appears to be buying a month's respite to allow Mr. Suharto to get a grip and finally begin a political transition toward pluralism. That outcome seems hopelessly ambitious at the moment.

That is bad enough. But this is worse:

The United States has borne the brunt of managing this unpromising situation virtually alone. Japanese, French and German banks are far more exposed to loan defaults and other calamities than are American banks; but Uncle Gulliver is the only foreign power that will be tagged with blame for losing Indonesia or for the painful reforms that others have agreed to make.

Exposure to backlash is partly a matter of unavoidable reality. Only the United States shoulders global responsibilities. But this plight is also a result of the failure of the administration and of Congress to commit the United States to serious multilateralism.

Uncle Gulliver has enjoyed tossing the Lilliputians off when they have sought a serious share in NATO command arrangements, new UN Security Council permanent seats and other significant change in and commitment to international organizations.

Solving the Hegemon Problem requires enmeshing the Europeans, Japanese and others in a different, prototypical American story. It is time to replace Gulliver with Tom Sawyer. Washington needs to figure out how to entice the others to volunteer to help paint the global fence, too.

The Washington Post.

Where Was Clinton While Saddam Was Recovering?

By A.M. Rosenthal

NEW YORK — For at least five months, all through the latest crisis created by Saddam Hussein, Bill Clinton failed to carry out one of the most important of any president's duties. With war clearly moving toward us, he owed it to Americans to speak to them early and often enough and with enough candor and detail that they could give him their support or withhold it — before jets and missiles, before bombs fell.

Even in his hour-long State of the Union Message last month he could find time for only one paragraph about Iraq.

Mr. Clinton got around to delivering a speech on Iraq last Tuesday. He talked forcefully of the danger to the world of Saddam's chemical and biological weapons. He warned Saddam formally that the United States would mount an air attack on his weapons and weapon-making capability if he did not agree to a "diplomatic solution" that would permit full UN inspection

of his weaponry. But just about every question growing from the danger and the warning was left as camouflaged, murky or unanswered as it has been these past months — in fact, all through the Clinton presidency.

For seven years, he said, Saddam has refused to carry out the cease-fire agreement of 1991 to reveal all his weapons and weapon capability. Saddam, he said, has done everything he could to block UN inspectors — harassment, lies, closing suspected sites to them.

Who was president for six of those years? What did he do to end Iraq's campaign against full inspection, from the day of his inauguration? Why not?

Now, to prevent or shorten attacks, Saddam is asked by the president to do no more than make the same cynical promise to permit inspection that he has broken since 1991.

Does Mr. Clinton believe

that Saddam will keep the promise this time? Stupidity is not a Clinton trait. Then who is the bigger cynic, the man who makes the promise or the man who pretends that the world can for a moment believe it?

Mr. Clinton did say that if Saddam someday breaks his word again, we will hit him again. Is that supposed to be good news for Americans — that American carriers, planes and servicemen and women will have to be kept on alert indefinitely in the Mideast while Saddam carries the whistle to call them to action whenever he chooses?

America pays for Saddam's adventure in many ways. Foreign anger, real or whipped up, and the cost of mustering and maintaining an attack force are the least of them. The families of American personnel pay in tension and separation. If he chooses he can make crews

of planes pay with their lives. Why does the president not mention a penalty for Saddam for bringing the world to crisis, whether or not he promises again to allow inspection?

The president says bombing can "diminish" Saddam's chemical and biological weapons strength — a painfully modest goal. The fundamental job, acknowledged or not, is to get rid of him, any way. Bombing alone will not do that. In time the right penalties could, if we start immediately.

Not long ago, Iraqi opposition movements and their armed units controlled territory in northern and southern Iraq. But in 1995 the Clinton administration watched while Saddam's armed helicopters and his tanks, granted to him as a cease-fire present by the Bush administration, went into action.

They took over opposition territory and slaughtered Iraqis who in their struggle had cooperated with the United States.

The failure of Washington to take action cost the Iraqi people, and the world, a fighting chance to have done with Saddam.

By letting Saddam get away again to allow inspection? "I promise you," the United States loses its chance to rebuild the opposition. The penalty of total prohibition of all flights and military movements by Iraqi forces would prevent his use of gunships and tanks against the opposition.

Simultaneously the United States should help create and support a dissident government in exile. With U.S. aid and fidelity, and an unshamed U.S. goal of overthrowing Saddam, the opposition can regroup. It will be hard for America to do, but not as hard as it was for Iraqi dissidents to die waiting for American help.

Perhaps the reason Mr. Clinton evades so many questions is in the first two: Who was president? What did he do?

The New York Times.

Snug in Our Living Rooms While the Bombs Drop Afar

By Bob Herbert

NEW YORK — "War hath no fury like a noncombatant," said C.E. Montague, the writer and veteran of World War I. Nothing has changed, except that now there are more noncombatants than ever.

We can all watch the upcoming war on television. No danger there. If it gets boring, we can switch to "Seinfeld."

Bill Clinton, in charge of whipping up support for the war, has done some of his planning on the golf course. And just the other night he took time out to party with Democratic fat cats in the luxurious enclosed community of Llewellyn Park in West Orange, New Jersey. Twenty-five thousand dollars a

couple. "It was lovely," said a Democratic insider. "It didn't even seem like New Jersey."

In the absence of any real sense of danger, any threat to one's personal well-being or way of life, it becomes easier and easier to drop bombs on foreign lands. War becomes a voyeuristic, jingoistic pastime, with the progress discussed at work each day, over coffee.

No clearly articulated goal is needed, no long-term perspective, no serious discussion of the moral or ethical implications of the carnage one is so offhandedly unleashing.

Secretary of State Madeleine

Albright, in an appearance on NBC's "Today" show, put the matter as plainly as could be: "If we have to use force, it is because we are America. We are the indispensable nation. We stand tall. We see further into the future."

Has there ever been a better example of the arrogance of power? Americans are becoming drunk with the idea that we are the world's only superpower and therefore can do whatever we want to whomever we want.

The case has been made that Saddam Hussein is a menace. No one who is sane can doubt it. He is a warmonger and mass

murderer. It is because of him that Iraq is in ruins, and he remains a deadly threat to anyone within his sphere of influence. He has chemical and biological weapons and is mad enough to use them.

So we are sold on the fact that Saddam is a bad guy. The question is what to do about him. The answer, according to the Clinton administration, is to drop bombs on Iraq to teach him a lesson and "seriously diminish" his threat to others.

But, said Mr. Clinton, the bombing will neither destroy Saddam's stockpiles of chemical and biological weapons nor prevent him from creating new weapons. So after the bombing, according to the administration's own assessment, Saddam will still be around, he will still have weapons of mass destruction, and he will still be a threat to use them. This is not a well thought out policy.

Mrs. Albright doesn't even think the United States is contemplating war. She told students at Tennessee State University in Nashville: "We are talking about using military force, but we are not talking about a war. That is an important distinction."

That is an amazing distinction. The GIs who have packed their gear, left their families and headed off to the Middle East are fully aware that they might not come back. They think this is war.

The problem in a nutshell is

that this war, if it happens, will be fought by professionals but is being planned by amateurs. Bill Clinton is no warrior, nor is Madeleine Albright.

That is why there are no clearly stated strategic goals.

That is why the country ended up with the pathetic spectacle last Wednesday of the nation's three top foreign policy officials being shouted at by protesters while trying to sell the war Oprah-style.

And that is why we have so few allies in this adventure. Poverty-stricken and humiliated Iraqis continue to die by the tens of thousands from the combined effects of Saddam's murderous folly and the unsuccessful attempts to stop him. To kill even more Iraqis without any sort of plan to bring the overall bloodshed to an eventual halt cannot possibly be justified.

I don't believe Americans want to take their cue from Curtis LeMay and bomb Iraq into the Stone Age. But we are in danger of doing just that. In our anger at Saddam, we are willing to needlessly sacrifice the lives of thousands of innocent civilians. And leave him standing.

Either bring down Saddam, or stop the killing. Bombing people into oblivion for no good reason is a descent into barbarism. In the fury of our righteousness, and from the safety of our living rooms, we are in danger of becoming a nation without a conscience.

The New York Times.

Clinton Less Than Believable

By David S. Broder

WASHINGTON — The chickens are coming home to roost. Not on the Monica Lewinsky story but on something much more important: the credibility of the Clinton administration to conduct foreign and domestic policy.

The dramatic evidence of the doubts sown by five years of clever but evasive leadership came in the outright skepticism of many in the crowd at Ohio State University questioning President Bill Clinton's top national security officials about his policy in Iraq. A less publicized but pointed and highly personal rebuke occurred in Congress just before his recent holiday break.

What happened to Secretary of State Madeleine Albright, Defense Secretary William Cohen and national security adviser Samuel Berger when they faced students and townspeople in Columbus last Wednesday sent a dangerous signal of national disunity to the whole world.

Just 24 hours after Mr. Clinton belatedly made his first serious effort to explain his Iraq policy to the people, his top lieutenants ran into a buzz saw of skeptics who clearly had not been swayed by presidential rhetoric. It was the culmination of too many years of Mr. Clinton acting as if public opinion and congressional support were unimportant in the conduct of foreign policy.

He got no resolution from Congress backing his judgment when he sent troops to Haiti and Bosnia, no permission from Capitol Hill for his bailout of Mexico, no grant of trade negotiating authority that previous presidents had enjoyed, and, just this month, no resolution of support on Iraq.

Now, on the brink of a showdown, he is scrambling to demonstrate to Saddam Hussein that the dissonance in Columbus, which Saddam undoubtedly saw on CNN, does not mean that the United States is divided and irresolute.

For weeks, Clinton aides have been brandishing his approval ratings as if they were an answer to every doubt. Polls show when times are good and a president is asking nothing of the people. But when a test comes, credibility turns out to be damned important.

It is always important in moving an agenda on Capitol Hill. This month, House Republicans showed how little credibility he has with them.

The issue was his plan, announced with fanfare last year, for national standards and tests to measure every pupil's progress. In last month's State of the Union address he said: "Thanks to the action of this Congress last year, we will soon have, for the first time, a voluntary national test based on national standards in fourth-grade reading and eighth-grade math."

That statement, like many others Mr. Clinton has made, was thoroughly misleading without being literally false.

Last year the Senate endorsed the proposal with some modifications, but the House overwhelmingly said "no." Mr. Clinton accepted a compromise allowing work on the tests to continue this year but barring any trial runs at least through next Sept. 30.

As the nonpartisan Congressional Quarterly reported in

November, the deal "would essentially postpone White House plans to fully administer the tests in the spring of 1999" and require the administration to come back to Congress before it could do so later.

That did not keep Mr. Clinton from announcing unilaterally when he signed the compromise legislation in November that "the tests will be ... piloted in schools next October," a claim repeated for weeks on the Education Department Web site.

None of this sat well with Chairman Bill Goodling of the House Committee on Education. As he told me the other day, "They still were acting like they were going full-speed ahead, when they do not have the legal authority to do so."

To make his point, the chairman on Feb. 5 got the House to pass a simple piece of legislation saying that no funds may be spent on field-testing or administering national exams without specific permission from Congress.

Instead of the issue being considered quietly over the next few months, with the prospect of another compromise, Mr. Clinton's exaggerations led Mr. Goodling and the Republicans to draw a line in the sand.

The White House response is to accuse the Republicans of partisanship — and, yes, to invoke the ever popular "right-wing conspiracy." Two senior presidential advisers told me — off the record, of course — that because Mr. Goodling has a conservative challenger in his upcoming primary, he is "trying to appease the right wing."

Is it any wonder this president's credibility is crumbling?

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Maine Inquiry

PARIS — [The Herald says in an editorial:] An official inquiry into the cause of the Maine disaster has now been opened in Havana. The Government has decided not to make the evidence public piecemeal, but all at once, on the conclusion of the investigation, which, it is said, may take three weeks. The only bar to the calm judicial temperament with which the matter should be viewed is in the frantic outbursts of the New York yellow journals, which seem to be doing all they can to create trouble between the United States and Spain over the disaster.

1923: U.S. and France

PARIS — Under the spell of the life and example of George Washington, America and France solemnly clasped hands last night [Feb. 22] at the annual banquet of the American Club

of Paris. There could be no disguising the fact that the part of America represented at the banquet was standing heart and soul behind M. Barthou, the president of the Reparation Commission, when he said: "France, ravaged and menaced, has less need of glory than of reparation and security."

1948: Eva Braun

MUNICH — Eva Braun is neither legally dead nor legally married to Adolf Hitler, the official registry office of Greater Berlin reported [Feb. 21]. Dr. Otto Gritschneider, lawyer for Eva's mother, Frau Franziska Braun, requested confirmation of Eva's death and marriage in order to settle property matters. She received the following answer from Ständesammler Grod, Berlin official: "The death of the alleged Eva Hitler cannot be documented. No death reports have been received in this office."

Herald INTERNATIONAL Tribune

ESTABLISHED 1887

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

Co-Chairmen

KATHARINE P. DARROW, Vice Chairman

RICHARD McCLEAN, Publisher & Chief Executive

MICHAEL GETTLER, Executive Editor

• WALTER WELLS, Managing Editor • PAUL HORVITZ, Deputy Managing Editor
• KATHERINE KNORR and CHARLES MITCHELLMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors • ROBERT J. DONAHUE, Editor of the Editorial Pages
• JONATHAN GAGE, Business and Finance Editor
• RENÉ BONDY, Deputy Publisher
• DIDIER BRUN, Circulation Director
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92321 Neuilly-sur-Seine, France.
Tel: (1) 41.43.93.00. Fax: Subscriptions: (1) 41.43.92.10; Advertising: (1) 41.43.92.12; News: (1) 41.43.93.32.
Internet address: <http://www.ihb.com> E-Mail: ihb@ihb.com

Editor for Asia: Michael Richardson, 5 Canabury Rd., Singapore 119800. Tel: (65) 473-7768. Fax: (65) 774-2334.
Mgr. Dir. Asia: Terry Dwyer, 30 Gloucester Rd., Hong Kong. Tel: (852) 202-1188. Fax: (852) 202-1190.
Gen. Mgr. Germany: T. Schuler, Friedrichstr. 15, 69233 Frankfurt. Tel: (49) 69 977250-20. Fax: (49) 69 977250-30.
Pres. U.S.: Ann Binkham, 800 Third Ave., New York, N.Y. 10022. Tel: (212) 723-3890. Fax: (212) 723-8783.
U.S. Advertising Office: 63 Long Acre, London W2C 2LJ. Tel: (44) 1871 836-0822. Fax: (44) 1871 240-2254.
S.A.S. au capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61357.
©1998, International Herald Tribune. All rights reserved. ISSN: 0244-8052.



THE INTERMARKET

+44 171 420 0348

RECRUITMENT

Executive Positions Available

BILINGUAL EXPERTS needed, educated & experienced in financial markets for part-time, full-time, or freelance positions as translators or editors. Fax full resume to: **TECHNICAL** +33 (0)144292916. Tel: +33 (0)144292911

Executives Available

BILINGUAL EXECUTIVE (French & English) seeks challenging position in public relations/marketing in USA, Canada/Ontario. Tel: +33 (0)6 51 18 41 84

General Positions Available

In their continuing expansion, the SPONSORED SECTIONS of the INTERNATIONAL HERALD TRIBUNE

are looking for freelance writers throughout the world with solid background in business and financial reporting. Native English speakers with excellent writing style and publishing experience should send CV and clips to:

DR. M. H. D. Director
Advertising Supplements Program
International Herald Tribune
181 Avenue Charles de Gaulle
92221 Neuilly Cedex
FRANCE
or by e-mail to: mh.d@ihd.com
Herald Tribune
THE SPONSORED SECTIONS

CORPORATE RELOCATIONS FRANCE

A leading, fast-growing, international relocation company, has immediate openings for relocation professionals in our Mission Laifia (7th) office. Working as a part of a team, you will assist families in their relocation to France. You are bilingual (English/French, other languages a plus), possess good interpersonal skills, flexibility, a good knowledge of Paris & suburbs & have your own car. Please write or call with CV & photo to: **ANGLO-SAXON PHYSICIANS**, Green, Corporate Relocations France, 15 rue des Capucines, 75001 Paris, France. Tel: +33 (0)1 3912 3000.

French Company

ANGLO-SAXON PHYSICIANS
with Special Conditions in Emergency Care & Tropical Conditions for position abroad.
Send resume, handwritten letter & photo to: **Box 555, L.L.T.**, 92221 Neuilly Cedex, France.

AMSTERDAM: INT'L Trade Association seeks WRITER/EDITOR for newsletters and publications. Must have excellent writing skills in English. Knowledge of French / German helpful. 2 years experience minimum. Should be familiar with printing and production. Resumes & C.V.s: immediate interview. **PLAIA** Int'l. Contact: Mr. J. Winkels, Stuyvesantweg 705, 1077 XG Amsterdam, the Netherlands. E-mail: winkels@winkels.nl

Find A Job, Fast!

<http://www.washingtonpost.com>

The Washington Post
Careerpost

SECRETARIAL

AUDIOVISUAL PRODUCTION COMPANY SEKS

EXECUTIVE SECRETARY
Perfectly bilingual English/French (25/35 years old) BSN "Secretariat Direction" or equivalent. Very good knowledge of software Word/Excel/PowerPoint (Macintosh). Good sense of organization. Work in small structure if possible. Communication sector experience (Press, Production TV, Public Relations, Music...). Good available immediately, based in West of Paris.
Send CV & letter & photo to:
Box 544, L.H.T., 92221 Neuilly Cedex, France (who will forward)

General Positions Available

Experienced FINANCIAL TRANSLATOR (French/English) Paris stockbroker seeks native English speaker Minimum 3 years' experience in financial translation (equity markets). We are placing emphasis on excellent writing skills. Applicants should submit a letter with CV to: **WILSON FORT**, Chevreux de Venise, Credit Agricole International, 5 rue de l'Arbreux, 92400 Courbevoie. Fax: +33 (0)1 41 89 79 71.

LAWYER-LINGUIST

Legal language consultancy firm with offices throughout Europe seeks native English-speaking lawyers fluent in German for employment in Germany. Legal Language Services. Tel: +33 (0)1 49 97 11 74. Fax: +33 (0)1 49 97 11 74.

General Positions Wanted

YOUNG MAN, 27, fluent in 4 languages, well travelled, currently working in multi-national company with 6 years experience looking for an alternative to his job in something different/interesting/meaningful. Fax to: **San 26/04/1998 (office)**

BOUYARD - MARY & BA

British man, fluent French, seeks job. Ideal for businessmen. Tel: Paris +33 (0)1 8106 5025. Telex: (0)1 4700 4380.

COURTESY FRIDAY

Has a courtesy as your personal assistant. Multi-lingual, scheduling, organization and life management expert. Tel: 310-471-8222 USA.

Secretarial Positions Available

INTERNATIONAL LAYERS, PARIS XV
Solely perfectly bilingual Secretary. (English-French). Word 7. Tel: CV: +33 (0)1 53 55 09 97 or fax: +33 (0)1 53 55 09 90

Educational Positions Available

ENGLISH TEACHERS

Experienced for Business People
Dynamic, Friendly Team
Innovative Teaching Methods
Private Safety, Working Papers
Complet des Langues +33(0)14515356

TRANSFER FORMATION CONSEIL

is recruiting specialized EFL teachers for immediate start. Bilingual, financial English & other ESP. High quality of "traveler independent" status. Tel: PARIS +33 (0)1 42 55 14 11 for interview.

ELA SEKS HIGHLY PROFESSIONAL

TEACHER of financial English, currently working in financial sector / Ecole de Commerce, for part-time work in major financial institution. Send CV to: 17 rue Emile Meyer, 75016 Paris, France.

INTERNATIONAL BUSINESS Academy

seeks EFL teachers with Eastern Europe experience to work in Russia. Tel: Paris +33 (0)1 45 05 05 73. Fax: +33 (0)1 45 05 05 73.

EXPERIENCED AND QUALIFIED EFL

teacher with working papers for professional language teaching in Paris. Tel: +33 (0)1 45 05 05 73.

QUALIFIED TEL. TEACHERS

urgently required full or part-time by reputable school. Tel: L.C. Paris +33 (0)1 44410020

See Wednesday's Intermarket

for Business Opportunities, Franchises, Commercial Real Estate, Telecommunications, Automotive and Entertainment.
To advertise contact Sarah Werchul at +44 171 420 0326 or fax: +44 171 420 0328. A GREAT DEAL HAPPENS AT THE INTERMARKET

NATO OFFICE OF INFORMATION AND PRESS

is seeking a motivated and highly-skilled

ASSISTANT EDITOR

to join a small team in a dynamic international setting. You will help the Alliance to explain its policies and the context in which decisions are made at a pivotal moment in the evolution of Euro-Atlantic security, by assisting in planning, writing, editing and preparing texts and publications on NATO and transatlantic topics, as well as other activities related to publishing.

You must be a national of a NATO country and have:

- publishing/editing experience or training
- the ability to write clearly and succinctly
- a thorough knowledge of international affairs
- a university education in journalism, international relations or another relevant discipline
- a strong command of both English and French

Applicants with a master's degree in a relevant field, a fluency in English and French, and a strong command of both English and French are preferred. Applications should be sent to: **ASSISTANT EDITOR**, NATO Office of Information and Press, 11 rue de la Harpe, 75001 Paris, France. Tel: +33 (0)1 42 55 14 11. Fax: +33 (0)1 42 55 14 11. E-mail: info@nato.int

SECRETARIAL

An international, high technology industrial company seeks an

Administrative Secretary

native English speaker. Educated to Bac + 2 minimum (degree equivalent), you have a complete command of Word and Excel. In addition, you are good with people and at ease with figures. The position will be of interest to top quality candidates. Position based at Montreuil-la-Jolie (30 minutes from Paris).

Send your application under ref. VDM4776 to: **EUROMESSAGES**, 78, Boulevard de la République, 92514 BOULOGNE Cedex which forward it.

Télécom Assistance Société de Prestations de Services recherche

HOTELLES STANDARDISTES

Bilingues anglais/italien - excellente présentation
On cherche employé/partiel - postes sur Paris et Région Parisienne
Envoyez votre candidature (CV, photo et lettre manuscrite) à: **Télécom Assistance**, 55, avenue Gambetta 92400 Courbevoie ou Tél. au 01.47.63.98.00.

JERUDONG PARK MEDICAL CENTRE

Brunei Darussalam

FITNESS EDUCATION INSTRUCTOR

(GYMNASTICS/BALLET TEACHER)

The Jerudong Park Medical Centre is a private healthcare facility located in Brunei Darussalam. The Centre also offers sports medicine service and state of the art Gymnasium which is situated in its annex building.

Immediate opening exists for a suitably qualified gymnastics/ballet teacher. We would like to hear from applicants with a minimum of five years experience. Knowledge of sports training/conditioning principles and experience of working with children is desirable.

An attractive single-status remuneration package includes tax-free salary, accommodation, medical care, relocation expenses, annual bonus and a return air ticket to point of origin will be awarded annually. Interested candidates should fax a full CV including fax and phone numbers, outlining educational qualifications and employment experiences and the names, fax and contact numbers of three professional references to:

The Human Resources Manager
JERUDONG PARK MEDICAL CENTRE
Royal Brunei Polo Club, Jerudong Park 2021
Brunei Darussalam
or Fax To: (673-3) 692817 or 612461

CLOSING DATE: 15 FEBRUARY 1998

ONLY SHORTLISTED CANDIDATES WILL BE NOTIFIED

WESTERN UNION

GREECE Sales Consultant

International Commercial Services Product

ATHENS Competitive Remuneration (High Bonus Potential)

Company Profile

Western Union established in 1856 in the United States, is a market leader in the provision of financial services and priority message services.

Its commercial services department markets money transfer products to corporate customers. These unique payment vehicles are the fastest and safest way to receive payments from customers throughout the world.

Candidate

Prior sales experience in commercial or retail financial services.
Previous experience in sales plan development and management.
Strong oral and written presentation skills.
Ability to work independently with minimum direction.
Fluency in English and Greek. Other languages desirable.

Please write in confidence with full career and salary details to: **Maureen Sigliano**, Western Union Financial Services, 25 avenue Armand Fraiteur 1050 Brussels - Belgium. Please quote ref: **epac**

Role

Reporting to the director of Global Sales, the appointee is responsible for marketing Western Union's international commercial money transfer products to businesses within Greece, Israel and Egypt. This role may be extended in due course to other countries.

Do Alone

The United States has borne the brunt

of manipulating this unimpressive

virtually alone. Japanese, French and

German banks are far more exposed

to American banks, but Uncle Sam

is the only foreign power that can

be tagged with blame for the

domestic and the painful reform

others have agreed to make

Exposure to backwash is partly a

result of unworkable reality. Only

United States shareholders global

possibilities. But this might be also

the failure of the administration

of Congress to commit the United

States to serious multilateralism.

Uncle Sam has enjoyed some

success in the past when they have

sought a serious share in the

Central American, new UN

Security Council and other

international organizations.

Solving the Hegemon Problem

is a task that is different, by

nature and nature in a different

political and economic story. It is

Washington needs to figure out how

entire the United States to

part at the global level.

The United States has borne the brunt

of manipulating this unimpressive

virtually alone. Japanese, French and

German banks are far more exposed

to American banks, but Uncle Sam

is the only foreign power that can

be tagged with blame for the

domestic and the painful reform

others have agreed to make

Exposure to backwash is partly a

result of unworkable reality. Only

United States shareholders global

possibilities. But this might be also

the failure of the administration

of Congress to commit the United

States to serious multilateralism.

Uncle Sam has enjoyed some

success in the past when they have

sought a serious share in the

Central American, new UN

Security Council and other

international organizations.

Solving the Hegemon Problem

is a task that is different, by

nature and nature in a different

political and economic story. It is

Washington needs to figure out how

entire the United States to

part at the global level.

The United States has borne the brunt

of manipulating this unimpressive

virtually alone. Japanese, French and

German banks are far more exposed

to American banks, but Uncle Sam

is the only foreign power that can

be tagged with blame for the

domestic and the painful reform

others have agreed to make

Exposure to backwash is partly a

result of unworkable reality. Only

United States shareholders global

possibilities. But this might be also

the failure of the administration

of Congress to commit the United

States to serious multilateralism.

Uncle Sam has enjoyed some

success in the past when they have

sought a serious share in the

Central American, new UN

Security Council and other

international organizations.

Solving the Hegemon Problem

is a task that is different, by

nature and nature in a different

political and economic story. It is

Washington needs to figure out how

entire the United States to

part at the global level.

The United States has borne the brunt

of manipulating this unimpressive

virtually alone. Japanese, French and

German banks are far more exposed

to American banks, but Uncle Sam

is the only foreign power that can

be tagged with blame for the

domestic and the painful reform

others have agreed to make

Exposure to backwash is partly a

result of unworkable reality. Only

United States shareholders global

possibilities. But this might be also

the failure of the administration

of Congress to commit the United

States to serious multilateralism.

Uncle Sam has enjoyed some

success in the past when they have

sought a serious share in the

Central American, new UN

Security Council and other

international organizations.

Solving the Hegemon Problem

is a task that is different, by

nature and nature in a different

political and economic story. It is

Washington needs to figure out how

entire the United States to

part at the global level.

The United States has borne the brunt

of manipulating this unimpressive

virtually alone. Japanese, French and

German banks are far more exposed

to American banks, but Uncle Sam

is the only foreign power that can

be tagged with blame for the

domestic and the painful reform

others have agreed to make

Exposure to backwash is partly a

result of unworkable reality. Only

United States shareholders global

possibilities. But this might be also

the failure of the administration

of Congress to commit the United

States to serious multilateralism.

Uncle Sam has enjoyed some

success in the past when they have

sought a serious share in the

Central American, new UN

Security Council and other

international organizations.

Solving the Hegemon Problem

is a task that is different, by

nature and nature in a different

political and economic story. It is

Washington needs to figure out how

entire the United States to

part at the global level.

The United States has borne the brunt

of manipulating this unimpressive

virtually alone. Japanese, French and

German banks are far more exposed

to American banks, but Uncle Sam

is the only foreign power that can

be tagged with blame for the

domestic and the painful reform

others have agreed to make

Exposure to backwash is partly a

result of unworkable reality. Only

United States shareholders global

possibilities. But this might be also

the failure of the administration

of Congress to commit the United

States to serious multilateralism.

Uncle Sam has enjoyed some

success in the past when they have

sought a serious share in the

Central American, new UN

Security Council and other

international organizations.

Figures as of close
of trading Friday, February 20

[illegible]

This table shows the performance of **Investment funds** through Friday and includes the 4,990 funds in terms of assets. There was over 6,150 funds currently listed on Nasdaq.

Group ratings are shown in bold face, with letters in italics. Funds are not included in the group if they are not part of the group indicated below.

NAY is the Net Asset Value, i.e. the portfolio divided by the number of shares outstanding as reported by the fund through Nasdaq. **NAV** equals all sales or redemption charges. Group means variation from the previous Friday.

Name field footnotes: - c = available only through commission plan; - n = no front-end load or deferred sales charge; - p = professional distribution class; - r = redemptions fee; - s = deferred sales load only apply; - t = no-load fee only apply.

Price field footnotes: - e = capital gains distribution; - f = previous day's quotation; - s = stock distribution.

SPONSORED SECTION

INTERNATIONAL HERALD TRIBUNE

SPONSORED SECTION



A CARVED DOOR IN CHIANG MAI (ABOVE); WAI INDRYA VEHICLES IN BANGKOK (TOP RIGHT); THE MAI KOK RIVER IN THE NORTH (MIDDLE LEFT); CHAIYACHULAPARK, BANGKOK (LOWER LEFT).



A CARVED DOOR IN CHIANG MAI (ABOVE); THE CANALS OF BANGKOK (TOP RIGHT); THE MAI KOK RIVER IN THE NORTH (MIDDLE LEFT); NANG YAI PUPPETS (LOWER RIGHT).

THAI AIRWAYS INTERNATIONAL CREATES HOLIDAYS WITH VALUE-ADDED APPEAL



OVER RECENT YEARS, TOURISM IN Thailand has grown dynamically, to become the kingdom's most valuable foreign-exchange-earning service industry. Tourism has a vital role to play in the country's economic recovery.

As one of Asia's most successful tourist destinations, Thailand has earned an enviable reputation for innovation and effective marketing in this industry — the largest, as well as most competitive, worldwide trade.

The two-year "Amazing Thailand" promotional campaign, launched in January 1998, is a unique concept designed to further enhance the country's image and boost both the volume and economic value of tourism. What makes the campaign unique is its scale, as well as the fact that it involves every sector, public and private, of the industry.

The campaign is being implemented by the Tourism Authority of Thailand, which has the support of national and regional government agencies, airlines, tour operators, hotels, restaurants and shops throughout the country.

As the national airline, Thai Airways International (THAI) has assumed a leading position in helping to ensure the success of "Amazing Thailand." THAI, which serves five international gateways throughout Thailand, is responsible for transporting a substantial portion of foreign visitors.

THAI is also a leading player in the business of creating and marketing package tours to Thailand. The company's Royal Orchid Holidays programs have, for nearly 30 years, been among the most comprehensive as well as successful airline-sponsored tours in Asia.

Strength in diversity
The tourism industry always needs innovation, and any destination that wants continued growth must constantly update its vacation services and products to tempt international travelers. Thailand is very fortunate in this regard, with its enormous diversity: sightseeing tours, beach vacations, traditional and modern entertainment, sports, shopping, gastronomy and — the latest major industry growth segment — eco-tourism and adventure travel.

The country is also fortunate in that it attracts an ever-growing number of new tourists, yet previous travelers also return for repeat visits. Royal Orchid Holidays reflect the appeal of Thailand in its six programs, which are expanded with new dimensions every year.

New for 1998 are a series of tour packages created around the Amazing Thailand theme. These itineraries highlight specific elements of the campaign. There are tours concentrating on Thailand's cultural heritage, scenic highlights around the country, dining experiences, golf and shopping.

Additional benefits include hotel bonuses and discount vouchers that make for even better bargains. There is even

a tour offering travelers an opportunity to learn the secrets of Thai cooking.

Like all Royal Orchid Holidays, these two- to three-day programs can be combined in a wide variety to suit the individual traveler's interests and schedule. Thus, the vacation is a flexible, self-tailored holiday with the cost benefits usually only found in fixed-itinerary group tours. Travelers can fly when they want, on regularly scheduled flights, yet do not have to spend their whole time with a group of strangers. This factor appeals to more and more of the traveling public.

For golf lovers
Another Royal Orchid Holidays program attracting wide international attention in these Amazing Thailand years is "Golf Thailand," a series of one- to three-day arrangements offering players from abroad the chance to sample some of the kingdom's finest championship courses. Now in its fourth year of operation, the program is adaptable to the needs of individual golfers or groups, amateur or professional. Here again, planning flexibility and good value are key features. The two dozen courses are located in eight centers throughout the country, from Chiang Rai in the north to Phuket in the south. Golfers can combine a week or more of challenging sports with beach or sightseeing itineraries.

Perhaps the most original of the Royal Orchid Holidays selections is "Active Thailand," a program of adventure, sports and other special theme vacation packages, covering a wide variety of activities. Active Thailand is aimed at the more energetic traveler. This program, which is the most recent tourism development in Thailand, appeals especially to younger visitors.

Adventurous travelers can experience the unique attraction of sea canoeing, go scuba diving or sail a traditional junk around the scenic waters of Phuket Island and Phangnga Bay. They can explore rugged jungles and hills of remote areas in northern and southern Thailand on foot, by mountain bike, or in four-wheel-drive vehicles.

For a less strenuous adventure, they may ride the nostalgic Eastern & Oriental Express train between Bangkok and Singapore or Chiang Mai, or sail aboard the "Star Flyer," a magnificent square-rigged clipper ship in the Andaman Sea. Travelers might, however, prefer to spend time mastering the art of delicious Thai cuisine, or lose weight and get fit in Thailand's exclusive health resorts.

The basic marketing concept behind Royal Orchid Holidays is simple: to offer travelers the flexibility and convenience of an individually arranged vacation, with the good value found in package tour prices. It is a combination that not only reflects current trends in tourism marketing development, but has also proved a winning formula for THAI in expanding ticket sales while promoting the overall appeal of Amazing Thailand.

Robin Danhorn

THE PLEASURES OF THE THAI TABLE

WHATEVER lacunae may exist in their knowledge of the country's history and culture, even first-time visitors are likely to arrive in Thailand with some experience of the country's cuisine. From Paris to Sydney, sophisticated diners have come to appreciate a properly prepared bowl of *tom yam gung* (shrimp soup flavored with lemongrass) or *kaeng khiao wan* (green curry). It's a small wonder, therefore, that so many people are eager to try these and other delicacies in the place where they originated.

Beginning as fairly simple fare, easily available from nearby fields and rivers, Thai cooking has evolved over the centuries into a complex creation, influenced by a number of other cultures and distinguished by a tantalizing blend of subtle flavors. The distinctive taste derives from a wide selection of herbs and spices. Chili peppers, brought from tropical America by European explorers in the early 16th century, play an important

role. Also prominent are ginger, garlic, black pepper, shallots, lime, mint, and both seeds and leaves of coriander (another early introduction, incidentally). Less familiar to a Western chef may be fragrant lemongrass, Kaffir lime, galangal (a member of the ginger family), aromatic Pandanus leaves, sour Tamarind pulp, and several kinds of fresh basil peculiar to Asian cooking.

All these are combined with vegetables, fruits, freshwater fish and prawns, seafood and assorted meats to create dishes that vary from region to region. Curries in the north tend to be milder, and neighboring Myanmar (Burma) exerts an influence in such dishes as *khao soy*, a curry broth with egg noodles and beef. Northerners like their food highly spiced: *som tam* (green papaya salad, liberally laced with chilies), *larb* (spicy minced meat) and *kai yang* (spicy barbecued chicken) are favorites.

People in both regions like steamed glutinous rice, traditionally kneaded into

Continued on page 111

OLD CRAFTS FOR NEW NEEDS

IN THE EARLY YEARS OF the present century, Western tastes were all the rage, and Bangkok's markets were full of European-made goods. It seemed as if native crafts might even disappear completely, along with the skills that created them.

But this did not come to pass. Even then, artisans were busy employing their talents throughout the countryside, as they still do today. Thai crafts are distinguished by the high quality of their workmanship, which often involves ancient techniques, and they are a memorable bargain for shoppers in search of something special.

Many of the techniques came from other cultures: China, India and perhaps even more distant places like Persia. Nevertheless, they almost always took on Thai characteristics, often ending up very different from the crafts of their places of origin.

Silk weaving is one example. It is probably one of the skills brought by the first Thais when they began to migrate to their present homeland, and it was certainly widely practiced in the Sukhothai and Ayutthaya eras. The northeastern region, where silkworms have been farmed for centuries, was particu-

larly famous for the quality of its textiles; many of these drew inspiration from neighboring countries like Laos and Cambodia for their elegant patterns and weaving styles.

After World War II, an American named Jim Thompson discovered Thai silk and made it a world-famous export, where it shimmered on the Broadway stage in "The King and I" and was soon coveted by interior decorators and fashion designers.

Today's decorators are enjoying a love affair with Thai cotton. It is hand-woven and comes in a wide range of weights and designs.

Other Thai crafts also display an artistic skill combined with a painstaking attention to detail. Woodcarvers transform teak and other hardwoods into intricate masterpieces full of swirling designs and mythical creatures as well as into fine furniture of all kinds. Bamboo and rattan, both in plentiful supply, are

Continued on page 11

THAI FOOD (LEFT) IS A WORLDWIDE FAVORITE. THE COUNTRY'S LACQUERWARE (RIGHT) IS FUNCTIONAL YET BEAUTIFUL.

"AMAZING THAILAND" was produced in its entirety by the Advertising Department of the International Herald Tribune. It was sponsored by Thai Airways International and the Tourism Authority of Thailand. Writers: Robin Danhorn, John Harkin and William Warren, all based in Bangkok. PROGRAM DIRECTOR: Bill Mahlen.

PHOTOGRAPH

AIRLINE OUTDOES ITSELF IN EFFORTS TO KEEP THE CUSTOMER SATISFIED

TO EARN BUSINESS and promote customer loyalty, airlines constantly seek to improve their service. Thai Airways

International (THAI) is no exception. The airline has long enjoyed a reputation for superior customer service, and it continues to offer passengers

more, both in the air and on the ground. In its ongoing efforts to ensure passengers greater comfort on long-haul flights, THAI has equipped

a special compartment in Royal First Class cabins on its new B747-400s with 180-degree reclining seats. Seating in Royal Executive Class has also been up-

graded with leg rests and other improvements designed to ensure a more restful flight.

In-flight entertainment has also been upgraded. For example, THAI has introduced in-seat videos in the Royal First and Royal Executive Class cabins of selected aircraft. Another advance is video Walkman units, which are available on request to Royal First and Royal Executive Class passengers on all intercontinental flights. The library of videocassettes on board includes first-run home video and classic movies, sports, humor and special interest features. This service not only gives a personal choice of movies, but also allows passengers to

interrupt the tape for a meal or sleep if they wish.

Passengers are also dining better on THAI, thanks to an exciting new in-flight catering service. For Royal First Class passengers on selected flights from Bangkok to Europe, THAI's "Super Royal" offers nine gourmet menus, available with advance booking. These range from authentic shark's fin soup and a Thai-style salmon soufflé to Thai curries and vegetarian specialties.

Two-fold benefit

The idea behind this service is two-fold, offering a wider choice of dining and prompt service. Since Royal First Class passengers can select their meal in

advance, the meal can be served soon after take-off. This allows passengers more time to relax, enjoy in-flight entertainment, read, work or sleep.

THAI has also introduced innovative dining on flights between Thailand and Japan, where passengers may order from a selection of Japanese culinary favorites.

Economy Class passengers may now order their meal in advance, with a minimum of 48 hours' notice, while Royal Executive Class travelers may select from four Japanese menus on flights out of Japan and three menus on flights from Bangkok.

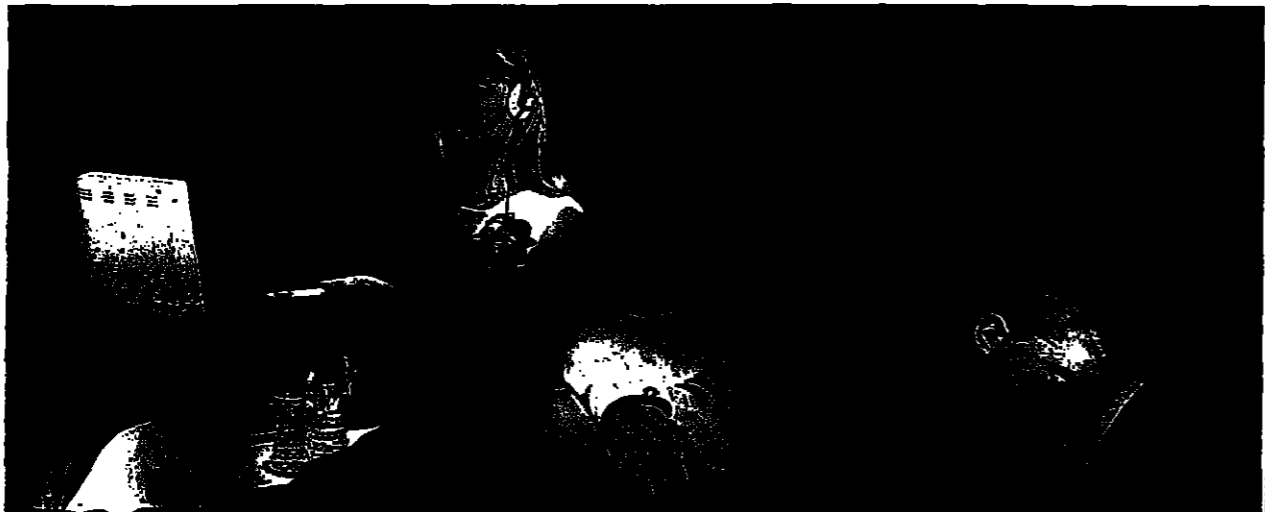
Greater benefits are not limited to in-flight service.

Travelers purchasing Royal First Class or Royal Executive Class tickets in the United Kingdom, for example, can take advantage of a new, free, house transfer in London. The service links Heathrow Airport (Terminal Three) with any destination within a 50-mile radius.

In Bangkok, THAI has launched a 24-hour, seven-days-a-week telephone reservations system. By calling 628-2000 or 280-0060, passengers can obtain immediate confirmation of flight bookings or last-minute schedule changes. These are just some of the ways that THAI is showing its dedication to improving customer service.

J.H.

RELAXATION TAKES DIFFERENT FORMS FOR DIFFERENT PEOPLE. PASSENGERS CAN STICK TO THEIR OWN SCHEDULES.



THAILAND HAS ONE of the richest cultural histories in Southeast Asia, a past that offers fascinating attractions in almost every region. At the same time, the country's present-day culture is vividly alive, drawing inspiration from the outside world as well as from deeply rooted traditions.

People have lived in what is now known as Thailand since the dawn of pre-history, first as cave-dwellers and later in more sophisticated communities whose very existence was unknown until recent decades.

More than 3,000 years before the beginning of the Christian era, a mysterious culture rose in the northeastern province of Udon Thani. Known as Ban Chiang, after the small village where its remains were first accidentally discovered in the 1960s, its people lived in settled villages and cultivated crops. They also mastered the art of bronze metallurgy and produced splendid pottery adorned with bold colored patterns at a time far earlier than most experts thought such marks of higher civilization had come to Southeast Asia.

The Ban Chiang culture vanished several centuries after the start of the present era, but its achievements can still be admired at an open-air museum in Udon Thani. Excavations made by the Fine Arts Department show where the objects were found.

Khmer heritage
Other ruins in the northeast date from the period when this part of Thailand was ruled by the great Khmer empire at Angkor. During the 11th and 12th centuries, dozens of magnificent stone temples in the style of Angkor Wat were erected throughout the region, comprising what are probably the finest examples of Khmer art and architecture to be found outside Cambodia itself.

Among them is Prasat Hin Phimai in Nakhon Ratchasima (Khorat), constructed in the early 12th century. One of the finest examples of classical Khmer architecture — and once linked by a direct road with Angkor — it has been beautifully restored under the supervision of the great French archaeologist Bernard Groslier.

Another important site from the same period is Prasat Phnom Ruang, scenically located on a hill in Buri Ram Province. A 200-meter (220-yard) avenue leads to the main structure, which is adorned with superb stone carvings.

International recognition
The remains of two of Thailand's former capitals have been designated UNESCO World Heritage Sites. Sukhothai, 480 kilometers (300 miles) from Bangkok in the north-central region, was established in the early 13th century when two Thai chieftains joined forces to overthrow their Khmer overlords. It was in Sukhothai that the Thai alphabet was devised; a paternal form of monarchy evolved; and distinctively Thai forms of Buddhist sculpture and architecture emerged, in particular the graceful lotus-bud finial adorning many of the ruined temples that can still be seen today.

Ayutthaya, from which the kingdom was ruled for 400 years, lies on an ar-

tificial island in the Chao Phraya River just a few hours from Bangkok by boat. This was a cosmopolitan metropolis that traded not only with neighboring countries but also with distant Persia and Europe. It achieved a fabled splendor at its peak in the 17th century, when it received an embassy from the court of Louis XIV. Although the city was destroyed by Burmese invaders in 1767, its present-day ruins, scattered throughout an extensive historical park, remain memorable because of their scale and the glimpse they offer of a vanished power.

Another kingdom, Lanna Thai, developed in the far north. Cut off from the rest of the country by a high mountain range, the kingdom's historical center was the city of Chiang Mai. Stunningly beautiful temples in the area include Wat Phra Singh — dating from 1345 and housing the most famous northern Buddha image — and Wat Phra That Doi Suthep, located on a

mountain overlooking Chiang Mai.

Capital treasures

Established as the capital in 1782, Bangkok is today the center of Thailand's modern life and commerce, as well as a repository of the nation's traditional culture.

Few sights in the world can be more amazing than the mile-square enclosure containing the Grand Palace and the Temple of the Emerald Buddha in the city's original center. It is a spectacular collection of multi-tiered roofs, gilded spires, ornate woodcarvings and shimmering glass mosaics. The palace complex was begun by King Rama I, founder of the present Chakri Dynasty. Subsequent rulers further em-

bellished it, even well into the present century.

Other major Bangkok attractions that coexist with the city's skyline of contemporary buildings include Wat Arun, the Temple of Dawn — with its 79-meter central *prang*, or tower, adorned with flashing bits of multicolored porcelain — and Wat Pho, the largest temple in the kingdom, where the gigantic Reclining Buddha is enshrined. Many of Thailand's greatest cultural treasures can be seen in the National Museum, which houses over a thousand items from prehistoric times to the modern Bangkok era.

Thai culture by no means consists solely of imposing monuments and buildings.

Many traditional art forms and ways of life continue to be a part of the present-day scene, so that even in bustling Bangkok a visitor is likely to experience moments that would not have seemed out of place centuries ago.

Music and theater

The classical masked dance known as *khon* is still performed, telling ancient stories drawn from the Ramakien, the Thai version of the Indian epic Ramayana, in which the characters wear costumes studded with jewels and often elaborate masks.

Another old form of theater is the shadow play, which came to Thailand from Malaysia and Indonesia and tells its familiar tales with the aid of cut-out figures manipulated against an illuminated screen. Traditional Thai music often ac-

companies such entertainment and can also be heard at concerts, religious ceremonies, and even kick-boxing bouts.

In addition, several theaters in Bangkok stage modern musicals and plays, sometimes using old techniques in new ways — blending modern dance, for instance, with traditional Thai music.

Jazz clubs offer a wide range of styles, from Dixieland to hard rock. Western classical music is performed by such groups as the Bangkok Symphony Orchestra and visiting ensembles from abroad.

Art exhibitions abound, and Thai painters, sculptors, silversmiths and other artisans are often featured at galleries and shops. Old and new, Thailand's cultural offerings have something to surprise, delight, and charm almost anyone. W.W.

WHERE PAST INFORMS PRESENT

FOR SOME VISITORS, THE MOST TREASURED MEMORY of their stay in Thailand may not be those incredible glittering temples and imposing ancient ruins, but rather their experience of its traditional ways of life, many of which remain remarkably intact despite the pressures of modern life.

A short trip out of any bustling city takes one into the countryside, where a majority of the kingdom's people still live in villages and, like their ancestors, still derive their livelihood from agriculture. Rice remains the basic crop, its cultivation determining the whole year's cycle of work as well as many of its festivals, but it is by no means the only source of rural prosperity. Many areas are famous for their fruits: longans and strawberries in Chiang Mai, mangos in Ratchaburi and orchards along the Chao Phraya River, rambutans and durians in Chanthaburi and Rayong, pineapples in Hua Hin, coconuts in most of the south.

Other crops contribute to the national revenues, e.g., sugarcane, rubber, cassava, maize, soybeans, orchids for cut-flower production, and mulberry trees to feed silkworms. One of the best-known projects initiated by King Bhumibol Adulyadej was the introduction of temperate fruits, vegetables and flowers to farmers of the far north, where some tribes formerly depended on opium cultivation.

Besides increasing agricultural variety, a trip through rural areas reveals other enduring aspects of Thai life. One is the influence of Buddhism, often muted in big cities, though never entirely absent. Except in the far south, where most people are Muslim, the Buddhist temple is the center of social as well as spiritual activity in a village. Most young

men will be ordained as monks at some time in their lives — usually before they marry and start families of their own — and this is always an occasion for widespread celebration. Resident monks advise on local problems, deliver sermons and, in more remote places, serve as teachers.

Water played a central role in traditional Thai life and still does in many regions. Villages were located on or near rivers, and a complex network of waterways brought nourishment to fields and orchards. Boats were the commonest form of transportation, and fashioning an artful fish-trap was a basic skill for farmers in their leisure hours.

Canal cruises

To a present-day visitor stilled in Bangkok's rush-hour traffic, it may seem that these aspects of Thailand have vanished — surely the old sobriquet "Venice of the East" no longer applies. But those who look more carefully might be surprised. As part of the Amazing Thailand activities, Klong Padung Kasem, one of the city's oldest canals, has been cleaned up and provided with oar-powered boats to transport visitors four times a day (first trip at 10 A.M., last one at 4 P.M.) through an area rich in atmosphere.

Better still, tourists can simply hire a boat and go for a late-afternoon cruise along the *klongs*, or canals, of Thonburi, just across the Chao Phraya, and discover many aspects of a more leisurely life. Families go about their daily routine in open-fronted wooden houses or bathe in the passing stream; ornate little pavilions on the water announce the presence of a wat; spirit houses proclaim the continuing existence of old beliefs; and a sudden riot of color may announce an orchid nursery. W.W.

OLD CRAFTS FOR NEW NEEDS



A COTTON WEAVER CREATES BEAUTIFUL GARMENTS.

Continued from page 1

deftly woven into baskets and other items that are at once practical and aesthetically pleasing.

The art of making fine pottery and ceramics, harking back in Thai history at least 700 years, is still employed to produce everything from sea-green celadon to beautiful reproductions of classic Chinese dishware. In addition, there is lacquerware, sometimes adorned with delicate gold-and-black paintings, silverware, native to the northern region, with complex designs applied by patient pounding, the ceremonial craft of nielloware, silver and gold objects with incised designs, and products like handpainted parasols, an-

other northern specialty, and supple paper made from the bark of a tree and used for a variety of purposes.

Some traditional skills are now employed to draw contemporary shoppers. Bronze tableware, for instance, is available in styles to suit almost any taste and can be coated with silicon to prevent tarnishing. The craft of fashioning gold into countless delicate objects has spawned a modern jewelry industry with exports throughout the world. The jewelry often uses precious stones like rubies, sapphires, zircons, and opals that are mined in Thailand.

Thai craftsmanship is also evident in up-to-date items like ready-to-wear clothing (high fashion as well as sportswear), leather goods, toys, and artificial plants and flowers found in every market and shopping center.

Regional specialties

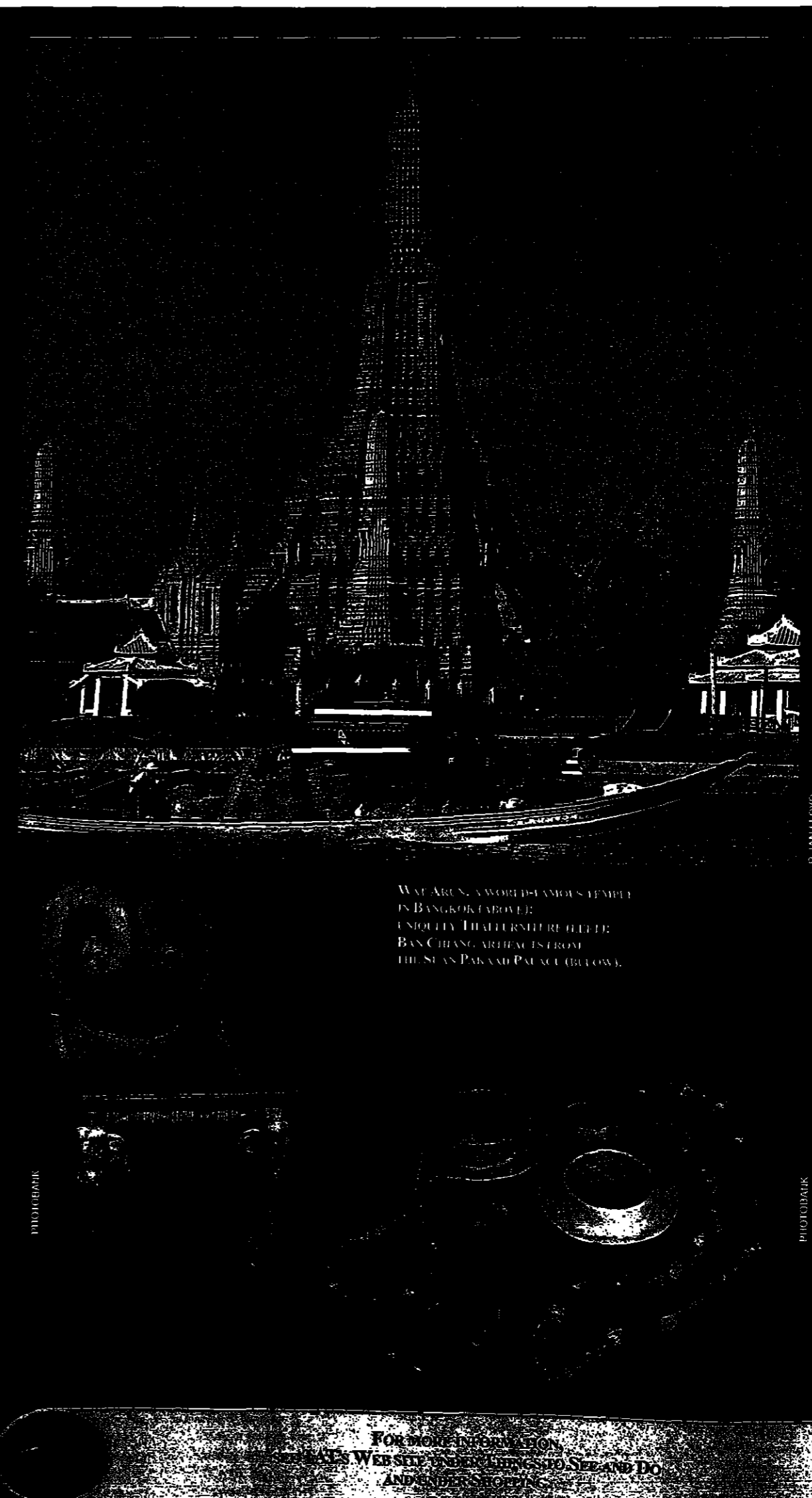
Various regions are noted for certain crafts. Chiang Mai in the north is the most famous; it is a center for woodcarvers, silversmiths, lacquer makers, parasol painters and other artisans who draw on northern materials and expertise. In the northeast, silk and cotton weaving are long-established skills — most of the silks for the original production of "The King and I" were produced in the village of Pak Thong Chai near Nakhon Ratchasima (Khor-

at) — while southern artisans claim many of the finest examples of nielloware and *yan lipao*, the latter a particularly fine basketry woven from the hard stems of a native vine.

Nearly every Thai craft, wherever it originates, can be found sooner or later in Bangkok. Outlets include Narayana Phand on Rajadamri Road, a government-backed organization that stocks almost every kind of handicraft, and the River City Shopping Center next to the Royal Orchid Sheraton Hotel, where two floors are devoted to top-quality antique and new items from Thailand and neighboring countries. The Chitralada shops (one in the departure lounge of the International Airport) feature products made for Her Majesty the Queen's SUPPORT Foundation. The products include fine embroidery, *yan lipao* evening bags, and lustrous ikat silks.

Perhaps the greatest concentration of Thai goods is found at the Weekend Market, held every Saturday and Sunday at Chatuchak Park. In several thousand stalls, almost everything made or grown in the kingdom is on sale, from textiles and ceramics to fresh spices and wild orchids. The only difficulty for a shopper in Thailand is trying to choose from the infinite variety of tempting goods.

W.W.



WAT ARUN, A WORLD FAMOUS TEMPLE IN BANGKOK, IS REFLECTED IN THE CHAO PHRAYA RIVER. THE BAN CHIANG MUSEUM IS IN THE SOUTH, AND THE PALACE OF THE KING IS IN THE NORTH.

FOR MORE INFORMATION, CONTACT THE THAI AIRWAYS INTERNATIONAL TRAVEL SERVICE, 1000 LEXINGTON AVENUE, NEW YORK, N.Y. 10017.

SPONSORED SECTION
SATISFIED

Travelers purchase First Class or Business Class tickets to the United Kingdom, for example, can take advantage of a new, fast transfer in London. The service links Heathrow (Terminal Three) with Gatwick within 45 minutes.

In Bangkok, Thai Airways International has launched a 24-hour, 7-day-a-week telephone reservations system, 628-2000 or 628-2001. Passengers can obtain flight information, confirm bookings, and schedule changes. These are just some of the services that Thai Airways International offers to its customers.

Class passengers can order their meals, with a 48-hour notice. Thai Airways International may select some menus of Japanese and Thai flights from the flight service.

Companies such as Thai Airways International can also help with concerns, regulations, and even in business. In addition, some of the Bangkok Super Orchestras are using the new blending modern music, with Thai music.

Jazz clubs offer a range of styles, from hard rock to classical music. The Bangkok Super Orchestras and vocal ensembles from around the world are often featured. Thai Airways International also offers a variety of services, including a 24-hour telephone reservations system, 628-2000 or 628-2001. Passengers can obtain flight information, confirm bookings, and schedule changes. These are just some of the services that Thai Airways International offers to its customers.

SPONSORED SECTION



BUDDHIST MONKS AT THE GOLDEN PRANG, PHRA PRANG, THE THAI NATIONAL MONUMENT, PHUKET (RIGHT).



FOR MORE INFORMATION, SEE THAI'S WEBSITE UNDER WELCOME TO THE LAND OF SMILES AND UNDER THINGS TO SEE AND DO.

THAILAND HAS long been established as an exceptionally rewarding travel destination. The country is not only an end in itself, however, but also a means to reach neighboring countries. Thai Airways International (THAI) enhances the geographical advantage by offering more flights to more countries in Asia than any other airline, serving 36 key points around the region, in addition to 22 domestic destinations.

Besides established neighboring tourism spots, such as Malaysia and Singapore, Thailand — located in the heart of Southeast Asia — has become the main gateway for what travel professionals are calling the Greater Mekong Subregion. This covers the Yunnan province in southern China, Myanmar (Burma), Laos, Cambodia and Vietnam, as well as northern and northeastern Thailand. These areas, once difficult to visit, are increasingly accessible. They provide fascinating insights into the region's extraordinary wealth of historical, cultural and scenic sights.

All of the countries traversed or bordered by the Mekong, Southeast Asia's longest river, are different. Each has its own charm and encompasses sights as varied as the lands themselves. Ancient monuments bear witness to an illustrious past, while today's lifestyles present a fascinating contrast. Natural beauty is abundant, ranging from mountain gorges to forested valleys, from vast flood plains to the myriad waterways of the delta. Moreover, because the Mekong has been little ex-

plored or exploited, the region is among the most pristine in the world.

In the north of the region, Yunnan is easily reached from Bangkok by direct THAI flights to the provincial capital, Kunming. This charming city successfully blends reminders of a long past with a welcome degree of modern comforts.

Yunnan is one of the most intriguing of all China's provinces, containing re-

until recently, access was limited. Today, the country is rapidly expanding its hotel and tourism infrastructure, and tourists can see more of this "golden land" than ever before.

Yangon (Rangoon), the capital, is just a short flight from Bangkok. The city immediately beguiles the trav-

Pagan are the must-see destinations, but with so much more of the country becoming increasingly accessible, there is the chance to explore farther afield and discover remote and picturesque places untouched by the modern world, in a land where travel is still an adventure.

The smallest of the Mekong countries is Laos, whose attraction lies in its quiet, traditional character and the glimpses it affords of old Asia. The THAI flight to Vientiane takes less than an hour. What a difference an hour makes to the visitor, who is suddenly immersed in another era, in a tiny, tranquil capital city with a character all its own.

A sense of Shangri-La is even more pronounced in Luang Prabang, the old royal Lao capital hidden amid the folds of high jungle-covered mountains. Wonderfully preserved in this utterly enchanting town are exquisite examples of traditional Buddhist monasteries. Their fantastic architecture is the very stuff of Oriental fairy tales.

Southern Laos is also well worth exploring. The town of Pakse is the gateway to the Khone falls, the largest cataracts on the Mekong, and to the evocative temple ruins of Wat Phu.

After its tragic recent history, Cambodia is emerging as one of the region's prime tourist attractions. The big draw, of course, is the extensive temple complex ruins of Angkor — especially the huge 12th-century Angkor Wat, the largest religious building in the world

AN AKHA HILLTRIBE VILLAGE OVERLOOKS THE MEKONG RIVER IN THE NORTH OF THAILAND.

markable diversity in its population of 24 ethnic minorities in addition to the Han Chinese majority. The area has a staggering variety of natural scenery. Examples include high mountains around Lijiang, Erhai Lake by the historic little town of Dali and the lush sub-tropical greenery of the Xishuangbanna region, centered on Jinghong.

Equally varied in attractions is Myanmar, where,

elder with such unforgettable sights as the Shwedagon Pagoda, the biggest and most important Buddhist shrine in the country. To the north lies Mandalay, Burma's last royal capital, and still the spiritual and cultural heart of the nation. The country's third major destination, Pagan, presents the awesome sight of more than 2,000 temple ruins dating to the 11th century.

Yangon, Mandalay and

A HAVEN FOR NATURE LOVERS

ROUGHLY THE size of France, Thailand offers a far wider range of climate and scenery than many very large countries. What makes Thailand even more alluring is the fact that all these natural attractions are easily accessible.

Forested mountains rise in the far north and northeast, and temperatures on the heights can drop close to freezing on a winter night. By contrast, the southern islands of Phuket in the Andaman Sea and Koh Samui in the Gulf of Thailand remain balmy all year round. The dry season in Chiang Mai (and Bangkok) lasts six months, with only sporadic rain for another three. The south has monsoon rains for five months, though not at the same time on either side of the peninsula.

The landscape is equally varied. In the fertile Central Plains, one of the world's greatest rice-growing re-

gions, scarcely any significant elevation breaks the flat expanses stretching to the horizon. In the northeast, however, the land rises steeply to the Khorat plateau and in the north to lush mountains and valleys that extend to the borders of Myanmar and Laos. The southern coastline is 2,700 kilometers (1,678 miles) long on either side of the long peninsula, with spectacular limestone cliffs and some of the world's most beautiful white-sand beaches and idyllic offshore islands.

To help preserve some of this natural beauty, the first national park, Khao Yai, was established in 1961 at the beginning of the northeastern plateau. Over the years since, 78 others have been designated by the government, along with 89 wildlife and non-hunting sanctuaries and 35 forest reserves. The total amounts to fully 13 percent of Thailand's land area and in-

cludes not only extensive mainland tracts but also numerous island groups and mangrove swamps along the southern coasts.

Nature lovers can choose almost any kind of scenery they want, as well as a variety of ways to enjoy it. In Khao Yai National Park — only a few hours by car from Bangkok — an alert birdwatcher can spot 318 identified migrant and resident species, and Thailand as a whole has nearly a thousand species. Wild elephants, gibbons, mouse deer, Malayan sun bears and fish-eating monkeys abound, and a botany-minded explorer can find more than 500 species of trees as well as over a thousand orchid varieties.

Hiking is a favorite activity in the parks, many of which have simple but adequate facilities for longer visits. In northeastern Loei Province, close to the border of Laos, a nine-kilometer trail (open only during

the dry season) leads to a flat-topped mountain summit where tents can be rented for the night. In the far north, a trek may include not only natural wonders but also a glimpse of the exotic tribal people who make their homes at higher elevations, following ways of life that have changed little since they were first exposed to modern ways not so many decades ago.

Mountain biking has become a popular way to see the countryside, especially around the northern centers of Chiang Mai and Mae Hong Son. Other new eco-adventures include white-water rafting along a number of rivers and more leisurely expeditions on elephantback or aboard a bamboo raft. Islands in both the Gulf of Thailand and the Andaman Sea are ideal for discovering the wonders of deep-sea diving. Trips can be arranged by sea canoe or larger charter boats.

William Warren

BEATING, AND JOINING, THE COMPETITION

THAI AIRWAYS INTERNATIONAL (THAI), ONE OF THE region's premier carriers, is always aware of the competitive pressure of the aviation industry. The airline continues to upgrade its operations in order to offer passengers the utmost in service and convenience.

THAI is undergoing the most significant changes in its 38-year history. Under its current five-year development plan, the airline is upgrading its fleet with 21 new aircraft, including the latest Boeing 747-400, 777-300, 737-400, Airbus 300-600R and 330-300 jets. The Thai carrier is also expanding its route network, which covers more than 70 destinations in 36 countries. Recent additions include Jakarta-Sydney and more flights on several established routes.

The new Jakarta-Sydney routing is operated as a non-stop, four-times-weekly service using Airbus A300-600 jets. These new flights give passengers a convenient evening departure time from Jakarta, with an early morning return from Sydney.

THAI's Bangkok-Sydney flights have increased from daily to 11 times a week and offer a choice of departure times, afternoon or evening, out of Bangkok with a return from Sydney in the early morning or afternoon. Connections onward to Europe are excellent.

In Europe, THAI has upped its Bangkok-Munich service to six flights a week, all non-stop, of which three are operated by Thailand's flag carrier and three code-shared with Lufthansa. From Munich, THAI passengers can catch frequent Lufthansa flights to Berlin, Cologne, Düsseldorf, Hamburg and Hannover.

Closer to home, THAI has boosted flights to Ho Chi Minh City in Vietnam and to Vientiane, the capital of Laos. Services to the former have been boosted to 11 flights a week, while Vientiane operations are now daily. The expanded capacity enhances the status of Bangkok as the leading aviation gateway throughout Indochina and the Mekong region.

Also in Asia, THAI has added more flights to its

Bangkok-Shanghai and Bangkok-Katmandu routes. The Chinese city is now served by daily flights using MD-11 aircraft, which brings the tally of THAI flights to China to 24 a week. Destinations include Beijing, Shanghai, Guangzhou and Kunming.

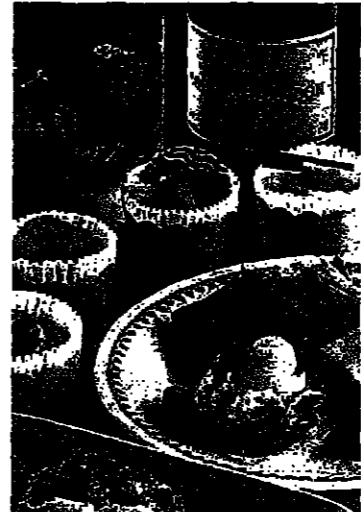
To help boost tourism to Nepal — which is promoting 1998 as "Visit Nepal Year" — THAI has increased its Bangkok-Katmandu operations to a daily service using A300-600 aircraft. THAI launched the first scheduled jet flights into Katmandu 30 years ago and has been serving the destination ever since. The airline now offers more flights between Southeast Asia and Katmandu than any other carrier.

In offering passengers greater convenience, especially during this "Amazing Thailand" period, THAI has not neglected its domestic services. The airline has added no fewer than 45 extra weekly flights to its schedules on key routes within Thailand. To the northern city of Chiang Mai the airline is operating 21 additional services weekly from Bangkok, while the southern island resort of Phuket is served by 14 more flights. Ten extra services have been added to northeastern destinations, including Ubon Ratchathani, Khon Kaen and Udon Thani — opening up the least explored part of the country.

Aside from continually improving its own operations, THAI maintains its competitive edge by forging partnerships with other airlines. The carrier is a founding member of "Star Alliance," the world's largest strategic airline partnership. Brazilian carrier Varig became the sixth member last October.

The Star Alliance partners — THAI, Lufthansa, SAS, United Airlines, Air Canada and Varig — serve more than 600 destinations in 108 countries. Additionally, travelers benefit from shared frequent-flyer rewards; they are able to accumulate and redeem mileage points through each of the partner airlines' frequent-flyer programs. Other advantages include reciprocal privileges at Star Alliance airport lounges around the world, code-sharing flights on key routes, streamlined reservations, more convenient flight connections and priority baggage transfers.

John Hoskin



FINE DINING ON THAI AIRWAYS INTERNATIONAL.

A GATEWAY TO MEKONG GETAWAYS

and arguably Asia's single most spectacular archaeological site.

The Cambodian capital, Phnom Penh, is little more than an hour's flight from Bangkok. If it lacks the monumental quality of Angkor, it has worthwhile sights such as the National Museum. This museum houses one of the world's finest collections of ancient Khmer art and provides an excellent foretaste of the splendors of Angkor.

Larger and more densely

populated than its immediate Mekong neighbors, Vietnam is also culturally distinct. Whereas ancient Laos and Cambodia were influenced by India, Vietnam's cultural roots are Chinese. Thus art, architecture, religion and the social fabric are quite different.

The two principal destinations are Hanoi, the capital in the north, and the bustling commercial center of Ho Chi Minh City (formerly Saigon) in the south, both of which have

direct air links with Bangkok. Hanoi is the smaller, quieter and more traditional of the two, noted for its lakes, parks and pagodas, as well as some finely preserved French colonial architecture. In contrast, Ho Chi Minh City is a lively metropolis, more modern and more commercial, with a wealth of hotels, restaurants, shops and nightclubs.

Immediately south of Ho Chi Minh City is the Mekong delta, a setting of exceptional topographic and cultural interest, while noteworthy attractions lying between Ho Chi Minh

City and Hanoi include the coastal resort of Nha Trang; the former colonial hill station of Dalat; Danang, major port and center of ancient Cham culture; and Hue, the old imperial capital.

Excursions in the Mekong subregion from Bangkok can be as brief as a day or two for a visit to Vientiane, the Lao capital. Or they may be as long as 14 days or more to explore Vietnam from north to south, or to tour the major sights of Myanmar. Two or three countries can easily be included in one tour.

J.H.

THE PLEASURES OF THE THAI TABLE

Continued from page 1

small balls and dipped into various dishes. Central Thais prefer fragrant plain rice, usually steamed, and use considerable quantities of vegetables and fish; popular curries include *kaeng khiao wan* (green curry) and *tom kha kai* (coconut milk curry with chicken or meat and flavored with lemongrass).

Thai-Chinese food is popular in cities like Bangkok, particularly in the form of numerous stir-fried noodle dishes that have acquired a strong Thai flavor over years of adaptation. Another specialty of the central region is what is sometimes called royal cuisine, a more refined version of certain dishes, influenced by the royal court, that stress appearance as well as subtle tastes.

In the south, coconut milk is an important ingredient, tempering a lavish use of chilies in both soups and curries, while foreign influences are reflected in dishes like *kaeng matsaman*, a mild Indian-style curry; *sate*, Indonesian-style skewered meat with a spicy peanut sauce; and dishes redolent with flavors from the Middle East. Fresh seafood — fish, prawns, lobsters, crab, clams, squid, scallops, and mussels — is abundant, thanks to the surrounding waters.

The enormous international popularity of Thai cuisine has prompted many outsiders to try their hand at preparing it in their own kitchens. Responding to this interest, a number of venues in Thailand now offer expert instruction in everything from identifying ingredients to creating the dishes for a full meal.

One of the best-known is a four-day course offered by the Oriental Hotel in Bangkok, which includes hands-on pre-



WESTERNERS LEARN TO COOK THAI FOOD AT A LEADING BANGKOK HOTEL.

paration classes. Several other Bangkok hotels also offer lessons, as do a number of places outside the capital, such as the Boathouse on Kata Beach in Phuket, where the resident chef conducts weekend culinary workshops limited to 10 participants.

W.W.

HEALING THE MIND AND THE BODY

VISITORS TO THAILAND can relax in a breezy pavilion at Wat Pho, Bangkok's largest temple, and let an expert apply the skilled, controlled pressures of a traditional Thai massage to ease the aches of intensive sightseeing. Or enjoy one of the numerous treatments offered by the Oriental Spa, where they can be wrapped in aromatic herbs for hours or have a special short session designed to relieve jet lag before that important business meeting.

Thailand has a long healing tradition. Many of the techniques used today were introduced thousands of years ago from India and China but have been adapted in distinctive Thai ways, while others employ state-of-the-art facilities developed in the West.

Thai-style massage, which combines yoga, reflexology and acupressure, has been a part of the culture for several centuries and is available at a number of spas and health centers

throughout the country. A major center in Bangkok is Wat Pho, where some 200 years ago King Rama III ordered all medical knowledge known at the time to be inscribed on stone slabs and displayed in one of the temple's many courtyards. Massage remains a primary component of traditional medicine here, with not only individual massages by resident masters but also a 10-day course (30 hours in all) for visitors.

Traditional massages, herbal saunas and similar treatments are available in most provincial areas as well. Some of the best-known centers are in Chiang Mai, Rayong, Koh Samui and Phuket. The Tourism Authority of Thailand has a detailed list of venues.

Older spas were often located near mineral springs, but newer ones might be anywhere. Some are part of well-known hotels and resorts, and others are separate facilities devoted to physical and mental improvement.

One of the first modern spas in Bangkok was built by the famous Oriental Hotel, now well into its second century and regularly ranked the best hotel in the world. Located in a build-

ing of its own across the Chao Phraya River from the hotel, it blends Asian therapies with European programs and ultramodern equipment to provide some 50 different treatments in restful surroundings. A special feature is Oriental Spa Cuisine, rich in Thai herbs and other seasonings but low in cholesterol, sodium and sugar.

Chiva Som, overlooking the sea at Hua Hin, is a seven-acre health resort just two hours' drive from Bangkok. It provides a comprehensive selection of therapies, luxury accommodations in Thai-style pavilions and a staff-to-guest ratio of almost four to one. Another noted spa outside the capital is at the Banyan Tree in Phuket, where traditional Asian and up-to-the-minute European treatments are offered in a lush tropical garden setting.

A different form of healing can be discovered through Buddhist meditation. Visitors can learn the fundamentals at a number of temples and meditation centers in Bangkok and elsewhere in the kingdom. The Tourism Authority can provide details of those offering English-language instruction. W.W.

MORE REWARDS FOR FREQUENT FLIERS

IN FEBRUARY 1998, THAI AIRWAYS INTERNATIONAL (THAI) welcomes a new partner airline, British Midland. The European carrier joins South African Airways and Ansett Australia as THAI partners. The Thai carrier's global aviation connections now offer Royal Orchid Plus members unprecedented frequent-flier mileage accumulation, recognition and seamless travel worldwide.

With these partner airlines — not to mention THAI's strategic alliances with United Airlines, Lufthansa, SAS, Air Canada and Varig, comprising a truly global airline alliance — Royal Orchid Plus members are able to accrue and redeem miles on travel to more than 600 destinations on six continents.

Since it was launched in July 1993, Royal Orchid Plus has consistently been a leader among regional frequent-flier programs. Membership, currently growing at an average rate of 2,000 new enrollees a week, has reached close to 800,000, with adherents in 190 countries. What was primarily an Asia-based program has become solidly international.

In an era of increasingly complex global business links and extended leisure time, international travel has become a way of life for many people, and frequent fliers are more sophisticated and discerning in how they evaluate airline loyalty programs. To meet this challenge, Royal Orchid Plus has an ongoing policy of continuously building on established benefits, privileges and recognition to provide members with ever-greater rewards and service.

In addition to forging partnerships with other leading international airlines, THAI has established close links with a broad range of travel- and service-related businesses. These include hotels and resorts, rental-car companies, telecommunications alliances and credit card companies. These businesses give Royal Orchid Plus members valuable benefits in addition to fine service.

Whether members are looking for the luxury of five-star accommodations in bustling capitals across the globe or the peace and seclusion of a tropical island resort, Royal Orchid Plus partner hotels not only provide the finest hospitality but also reward members with a minimum of 500 miles for each qualifying stay. Avis awards 500 miles for each qualifying rental. Royal Orchid Plus members earn miles with every purchase using a partner credit or charge card, or every phone call using a partner telecom card.

Naturally, accrued mileage can be redeemed for air travel. For example, 15,000 miles entitles members to a round-trip Bangkok-Phuket ticket in economy class, while 50,000 miles is good for a round trip Bangkok-Hong Kong ticket in business class. Miles can also be redeemed for "Experience Awards," such as elephant trekking in northern Thailand or a round of golf in Phuket.

Royal Orchid Plus members are rewarded regardless of the class of service flown. Economy class passenger earn 100 percent of actual miles flown on all THAI flights. The figure rises to 125 percent in Royal Executive and to 150 percent in Royal First Class.

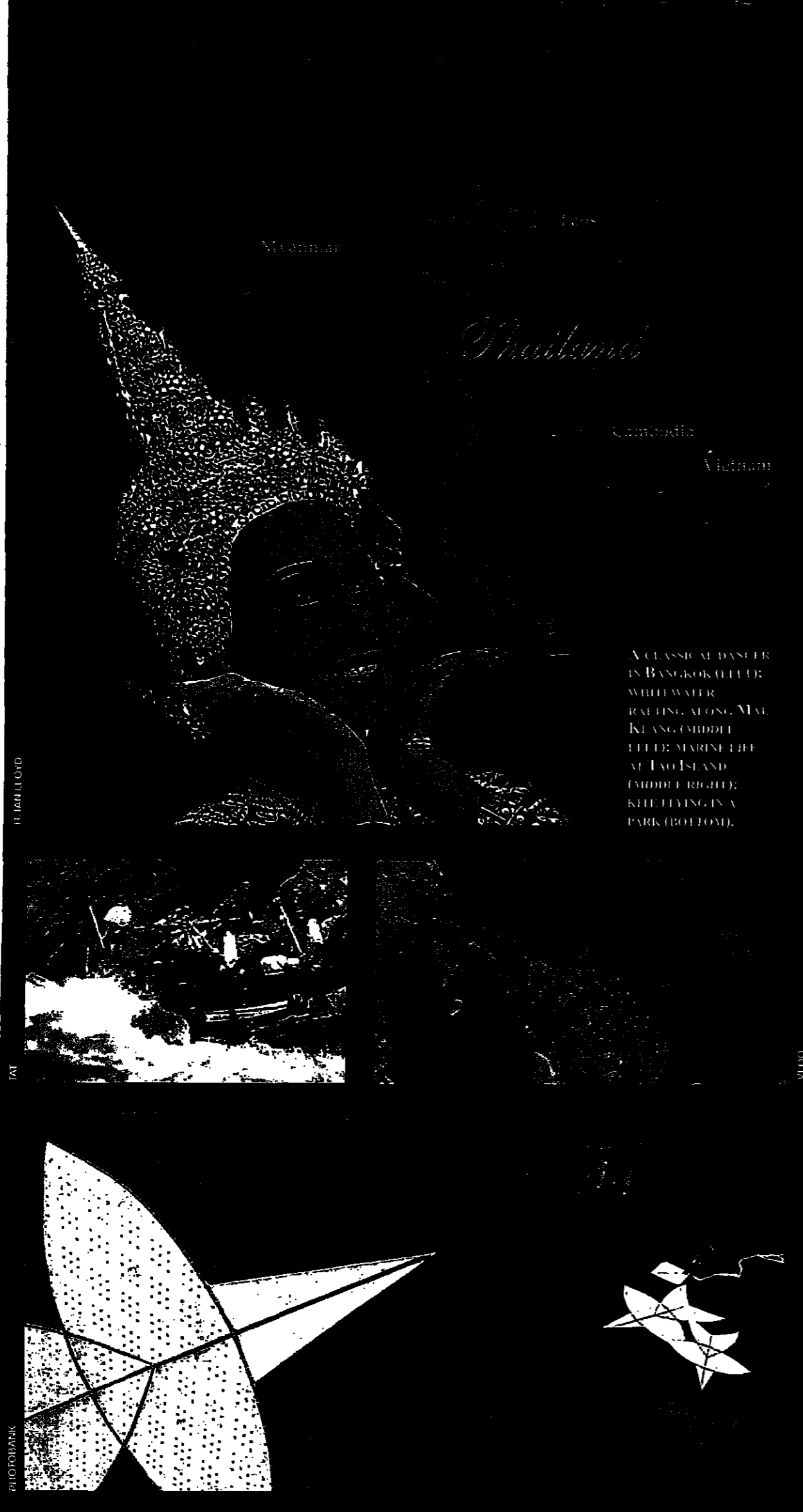
Membership benefits are not limited to rewards from redeemed mileage, and Royal Orchid Plus helps smooth the travel experience itself. Silver membership, for example, brings the added privileges of priority baggage handling and an extra 10 kilograms (22 lbs.) of baggage allowance, as well as priority waitlisting on fully booked THAI flights. Gold membership, reserved for the airline's most frequent fliers, offers personalized luggage tags, one complimentary upgrade certificate, a private "hotline" telephone number, priority boarding regardless of class flown and 20 kilograms of extra baggage (or one additional piece of luggage in some countries).

Complementing the rewards of membership is a commitment to efficient service. Royal Orchid Plus has introduced service enhancements for members to redeem their miles faster and with ever greater convenience. A new automated phone service, 1566 ThaiPhone, enables members to check the status of their account and keep abreast of promotions that allow them to double or even triple their mileage earnings simply by picking up the telephone.

To provide members with instant award ticketing on THAI at no charge, Royal Orchid Plus has 14 on-line locations worldwide. These offer the unparalleled advantage of getting an award ticket immediately after obtaining a confirmed reservation on THAI. Members simply pick up their ticket from any of the on-line locations and board their chosen flight. Those who redeem an award ticket on an alliance or partner airline need wait only three working days after obtaining a confirmed reservation.

Royal Orchid Plus awards can be used by members and their immediate family, as well as by friends or business associates, when members redeem mileage-saving Two Ticket Awards on THAI. J.H.

THAI FREQUENT-FLIER CARDS ARE WORTH MORE THAN THEIR WEIGHT IN GOLD.



A CLASSICAL DANCER IN BANGKOK OFFERS WHITE WATER RAILING ALONG MAE KLANG. (MIDDLE) THE DEER MARINE LIFE AT TAO ISLAND. (MIDDLE RIGHT) KITE FLYING IN A PARK (BOTTOM).

SPORTS AND ENTERTAINMENT GALORE

TO THE OUTSIDE world, perhaps the best-known traditional Thai sport is *muay Thai*, or Thai-style boxing. It originated five centuries ago in the Ayutthaya era, during which several rulers were famous for their skill at this graceful yet lethal art of self-defense. In those days, no gloves were used, both hands and feet being bound with cloth that occasionally contained bits of ground glass for added effect. Gradually, as foreign influences increased, ground glass was outlawed, the mayhem was subjected to certain restrictions, and gloves were introduced. But this sport is still not for the faint of heart.

In a Thai-style bout, any part of the body except the

head can be used as an offensive weapon and any part, including the head, is a fair target. The foot is the most effective of all, usually swung in a wide arc at lightning speed, and the whole performance has a grace that belies its risks.

An added touch of the unfamiliar for foreign spectators is a Thai-style orchestra of pipe, drums and cymbals, which keeps pace with the action and builds to peaks of frenzy at exciting moments. Knockouts are more common in Thai-style boxing than in Western bouts, and when they come it is usually the result of a well-aimed kick.

Two other martial arts traditional to Thailand are *krabi-krabong*, a match in which one contestant is armed with a long sword

and the other with a quarter-staff, and ordinary sword fighting, which may involve either one or two swords held by each combatant. Both are often seen during festivals or at special shows for tourists.

As popular with young Thai men as baseball is in the United States is an impromptu *takraw* match, which can be seen at parks, construction sites, village temples or even on the street. The point is to keep a woven rattan ball aloft as long as possible, using any part of the body except the hands and entailing spectacular displays of gymnastics.

Kite-flying, too, is an old diversion in Thailand, not as an individual activity mainly for children but as a serious sport that pits enormous "male" kites flown by teams of men against smaller, more agile "female" ones. This aerial battle of the sexes is especially popular during the late-afternoon breezes of the hot season.

The visitor in search of Western sports will find plenty in Thailand. In the past 15 years, numerous golf courses have appeared all over the country, some of them created by world-famous designers. Today, Bangkok, seaside resorts

and provincial capitals all have welcoming greens.

At seaside destinations like Pattaya, Phuket and Koh Samui, the full range of water-oriented sports is available. Sailing has been popular since the early 1950s, when His Majesty King Bhumibol Adulyadej took part in races in the Gulf of Thailand. Deep-sea fishing competitions are often held in the Andaman Sea, off the coasts of Phuket and Krabi, while countless coral reefs offer memorable diving experiences. Other activities at many beach resorts include water-skiing, surfing and parasailing. Every province has a

river or some kind of waterway, and in nearly all long-boat racing is an important feature of local festivals. Fashioned from tree trunks, the boats are crewed by up to 50 determined men and flash through the water at amazing speeds. One of the most famous races has been held annually on the Nan River in Phichit Province for over 85 years.

A more recent activity is sea-canoeing. Adventurous travelers explore the wonders of mysterious caverns and lagoons in the magical world of Phangnga Bay, where hundreds of limestone outcrops rise sheer from the sea.

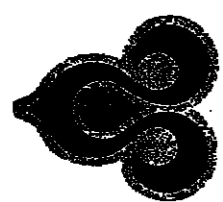
Triathlon competitions, too, have arrived in Thailand. The first was run in Pattaya in 1982, but in recent years top professionals have been attracted to the Laguna Phuket Triathlon, where the event consists of a 1,800-meter (1,969-yard) swim in the sea followed by a 53-kilometer (33-mile) bicycle race through the nearby hills and a final marathon run. As a climax to the Amazing Thailand Year 1998, Thailand will host the 13th Asian Games, a two-week series of competitions in 35 sports.

Visiting businesspeople find that many hotels have fully equipped fitness centers, swimming pools, tennis courts and other health facilities. In addition, there is usually a convenient park where they can join

the locals in jogging, aerobic workouts or tai chi exercises.

In addition to sports, Thailand has an extraordinary entertainment scene. Bangkok after dark offers amusements ranging from jazz clubs and restaurants of all kinds to quiet bars and enormous discos flashing with high-tech lights.

For younger visitors, at least a dozen amusement parks are easily accessible from the capital. Among them are Dream World, which has a huge water flume and a Dinosauria with moving dinosaur replicas; Siam Park, an enormous, varied water park; and Safari World, which boasts Asia's largest open-air zoo as well as a whale-and-dolphin show. W.W.



Thai
Smooth as silk

Thai Airways International (THAI)
89 Vibhavadi Road
Bangkok 10900

Head office: Tel. (662) 513 0121, Fax (662) 513 0203
Reservations (662) 628 2000
Ticketing (662) 234 3100/1-9
Airport (662) 535 3111
Web site: <http://www.thaiairways.com>

A MEMBER IN STAR ALLIANCE



Tourism Authority of Thailand
202 Le Concord Building
Ratchadaphisek Road
Huay-Kwang
Bangkok 10320
Tel. (662) 694 1222 (has 80 phone lines)
Fax (662) 694 1220, 694 1221
e-mail: tat@cs.ait.ac.th
Web site: <http://www.tat.or.th>

Pioneers
ive Amid
Crisis

W.W.

ism of Jap

CURRENCY RATES

CAPITAL MARKETS ON MONDAY

Amid Flood of New Issues, Market May Have Reached Its Saturation Point

By Carl Gewirtz
International Herald Tribune

PARIS — With no sign of letup in the record pace of new issues flooding into the international capital market, syndicate managers are quietly questioning how much more can be absorbed without visible strain on prices.

What troubles these insiders is the ever-larger share of new issues being taken on the books of underwriters, raising questions about how large an inventory banks are willing to run just to keep their standing in the rankings of the most active arrangers.

Holding paper in inventory has been a profitable exercise so far this year, with benchmark interest rates declining in major markets while the spreads at which less-than-prime names trade over benchmark yields have been narrowing. Although there has not yet been a major

new-issue flop, managers report that the tendency of spreads in the secondary market to widen rather than tighten is a sign of underwriters reaching their limits on how much paper they are willing to hold on their books.

There are essentially two problems to expanding inventory. For one, the cost of financing in the dollar market, as usual the most active center, is high, as the yield curve is so flat that there is barely a difference between the cost of overnight money and the yield on prime 10-year paper.

Second, the uncertainty plaguing investors about whether interest rates — already at record lows in continental Europe and nearly so in the United States — are likely to head lower or are already at bottom makes underwriters less willing to add inventory.

A potentially market-straining exercise could be in the making if the World

Bank proceeds with plans to launch a rumored jumbo global issue.

The World Bank is the largest issuer in the international market and traditionally the trend-setter. Of late, however, the bank has shunned the global public market in favor of discreet issues in more exotic currencies, where it can easily achieve a funding cost of at least 20 basis points below the six-month interbank rate.

Having been eclipsed in the global market by the Federal National Mortgage Association, or Fannie Mae, which has issued \$4 billion first in five-year notes and then in 10-year paper, and then outdistanced in the Eurobond market by Italy's equivalent of \$4.3 billion in European Currency Units, the World Bank is reported to be considering a record jumbo dollar global bond.

As a frequent borrower, the bank exercises considerable clout in the mar-

ket. But underwriters warn that in current market conditions, the World Bank cannot at the same time issue a record jumbo bond and reach its usual aggressive target on cost of funds.

Meanwhile, Fannie Mae is planning another new issue, a \$4 billion benchmark of seven-year notes.

In the corporate market, Sony Corp., a rare name in the market, is expected to issue five-year bonds for an estimated \$1.5 billion.

In the Euro market, Spain last week extended the maturity horizon with an issue of 31-year bonds that will fuse with an existing domestic peseta issue when the euro becomes the common European currency as scheduled next year. The total outstanding issue will then amount to 2.8 billion euros (\$3.04 billion).

Bankers said the paper appealed to local and foreign investors who bought Spanish government bonds. The Euro/euro paper provides foreign-exchange

protection in the unlikely event Spain does not join the common European currency at its outset. Were that to happen, bankers said, the peseta could take a beating, but the exchange value of the euro would be unharmed. In addition, the short-term cost of borrowing Euros to subscribe to the issue is only 4.375 percent, compared with 5.125 percent needed to borrow pesetas. As the issues will fuse, the terms are identical with a coupon of 6 percent.

A Bonanza Week for Greenspan-Watchers

Compiled by Our Staff From Desires

NEW YORK — The Treasury market, which often hangs on every word that comes out of Federal Reserve Board Chairman Alan Greenspan's mouth, will have a lot of words to absorb this week.

Mr. Greenspan's four appearances, including his testimony in Congress on Tuesday and Wednesday, may test the market's appetite as it copes with a flood of new supply, including two Treasury-note auctions and heavy corporate issuance.

The chairman is always balanced in his presentation, pointing to elements that could fuel growth and to elements that could slow it, said Michael Moran, chief economist at Daiwa Securities America.

This time, Mr. Moran said, the Fed chairman will "try to convey that he doesn't know exactly what will happen this year" in terms of Asia's impact on the U.S. economy.

"He'll indicate," Mr. Moran said, that monetary policy will be held

steady this year until the Fed has a clearer picture.

The market could prove more responsive to comments about slower economic growth than to assessments of inflation risks, Mr. Moran said.

Treasury prices gave up a little ground last week even though the market got some good news, notably the 0.7 percent decline in January pro-

U.S. CREDIT MARKETS

ducer prices. But when the market ran into resistance after that report, participants decided to take profits on the securities from the previous Treasury refunding, and prices headed lower.

The benchmark 30-year Treasury bond yield ended at 5.86 percent Friday, compared with 5.84 percent a week earlier. Data due this week also may hold good news for bonds. The consensus calls for a flat reading on January consumer prices, a 0.1 percent rise in the core rate of the consumer price index and a 1.0 percent increase in January durable-goods orders.

In addition to his testimony, Mr. Greenspan is to speak at a New York Fed conference Thursday and at an Atlanta Fed conference in Miami on Friday. (Bridge News, Reuters)

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Feb. 20. Prices supplied by Telekurs.

Argentine Peso
199 Argentina FRN 2.9760/04/01/01 100,9904 2,9400

Austrian Schilling
199 Austria 5 01/15/08 99,7500 5,0100

Belgian Franc
228 Belgium 7 12/22/00 109,2800 7,0900

British Pound
100 North Grid 4 02/17/08 100,1431 4,2400

Danish Krone
11 Denmark 7 11/15/07 112,8900 6,2000

Deutsche Mark
1 Germany 6 07/04/07 107,8100 5,5700

Dutch Guilder
34 Netherlands 5 02/15/07 106,1500 5,4200

ECU
36 France OAT 5 02/25/07 102,8000 5,3200

Finnish Markka
240 Finland 7 04/18/06 115,2651 6,2900

French Franc
41 France OAT Fm 4 11/25/09 99,1000 4,1400

German Mark
1 Germany 6 07/04/07 107,8100 5,5700

Italian Lira
221 Italy 9 02/01/01 112,7500 8,4300

Japanese Yen
193 Austria 4 09/28/05 119,1250 3,7000

Spanish Peseta
188 Spain 6 01/31/08 106,4620 5,6400

Swedish Krona
57 Sweden 10 05/05/00 111,0320 9,2300

U.S. Dollar
4 Brazil 4 04/15/14 92,4978 4,8600

World Bank
176 France OAT 5 10/25/06 111,3000 5,8400

World Bank
181 France OAT 5 10/25/07 104,0500 5,2900

World Bank
221 Italy 9 02/01/01 112,7500 8,4300

World Bank
193 Austria 4 09/28/05 119,1250 3,7000

World Bank
215 World Bank 2 02/18/08 102,0291 5,9600

World Bank
243 EIB 2 09/20/07 101,5000 2,9900

World Bank
188 Spain 6 01/31/08 106,4620 5,6400

World Bank
250 Spain 7 35/03/07 115,7920 6,5900

World Bank
57 Sweden 10 05/05/00 111,0320 9,2300

World Bank
72 Sweden 10 05/05/00 111,0320 9,2300

World Bank
139 Sweden 10 05/05/00 111,0320 9,2300

World Bank
160 Sweden 10 05/05/00 111,0320 9,2300

World Bank
190 Sweden 10 05/05/00 111,0320 9,2300

World Bank
236 Sweden 6 02/09/05 104,0390 5,7700

World Bank
4 Brazil 4 04/15/14 92,4978 4,8600

World Bank
32 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
35 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
42 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
44 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
45 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
54 Brazil 10 01/01/01 97,4931 10,1900

World Bank
59 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
64 Mexico 11 01/31/06 121,8958 9,4300

World Bank
72 Mexico 10 04/26/07 98,9107 9,8500

World Bank
76 Mexico 10 04/26/07 98,9107 9,8500

World Bank
82 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
85 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
92 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
94 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
95 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
104 Brazil 10 01/01/01 97,4931 10,1900

World Bank
109 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
114 Mexico 11 01/31/06 121,8958 9,4300

World Bank
122 Mexico 10 04/26/07 98,9107 9,8500

World Bank
126 Mexico 10 04/26/07 98,9107 9,8500

World Bank
134 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
137 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
142 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
144 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
145 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
154 Brazil 10 01/01/01 97,4931 10,1900

World Bank
159 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
164 Mexico 11 01/31/06 121,8958 9,4300

World Bank
172 Mexico 10 04/26/07 98,9107 9,8500

World Bank
176 Mexico 10 04/26/07 98,9107 9,8500

World Bank
182 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
185 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
192 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
194 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
195 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
204 Brazil 10 01/01/01 97,4931 10,1900

World Bank
209 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
214 Mexico 11 01/31/06 121,8958 9,4300

World Bank
222 Mexico 10 04/26/07 98,9107 9,8500

World Bank
226 Mexico 10 04/26/07 98,9107 9,8500

World Bank
234 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
237 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
242 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
244 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
245 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
254 Brazil 10 01/01/01 97,4931 10,1900

World Bank
259 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
264 Mexico 11 01/31/06 121,8958 9,4300

World Bank
272 Mexico 10 04/26/07 98,9107 9,8500

World Bank
276 Mexico 10 04/26/07 98,9107 9,8500

World Bank
282 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
285 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
292 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
294 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
295 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
304 Brazil 10 01/01/01 97,4931 10,1900

World Bank
309 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
314 Mexico 11 01/31/06 121,8958 9,4300

World Bank
322 Mexico 10 04/26/07 98,9107 9,8500

World Bank
326 Mexico 10 04/26/07 98,9107 9,8500

World Bank
334 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
337 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
342 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
344 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
345 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
354 Brazil 10 01/01/01 97,4931 10,1900

World Bank
359 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
364 Mexico 11 01/31/06 121,8958 9,4300

World Bank
372 Mexico 10 04/26/07 98,9107 9,8500

World Bank
376 Mexico 10 04/26/07 98,9107 9,8500

World Bank
382 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
385 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
392 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
394 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
395 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
404 Brazil 10 01/01/01 97,4931 10,1900

World Bank
409 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
414 Mexico 11 01/31/06 121,8958 9,4300

World Bank
422 Mexico 10 04/26/07 98,9107 9,8500

World Bank
426 Mexico 10 04/26/07 98,9107 9,8500

World Bank
434 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
437 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
442 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
444 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
445 Argentina L 5 12/02/05 97,2186 10,0000

World Bank
454 Brazil 10 01/01/01 97,4931 10,1900

World Bank
459 Venezuela 5 09/15/07 88,2250 10,4400

World Bank
464 Mexico 11 01/31/06 121,8958 9,4300

World Bank
472 Mexico 10 04/26/07 98,9107 9,8500

World Bank
476 Mexico 10 04/26/07 98,9107 9,8500

World Bank
482 Argentina FRN 5 03/29/05 86,8800 7,7000

World Bank
485 Argentina L 5 03/21/03 76,1250 7,2200

World Bank
492 Argentina L 5 04/15/06 98,9221 7,7800

World Bank
494 Argentina L 5 09/19/07 100,0613 9,7400

World Bank
495 Argentina L 5 12/02/05 97,2186 10,0000

Paris Sees 3% Growth as Path to Jobs

Q&A: Dominique Strauss-Kahn

Finance Minister Dominique Strauss-Kahn painted a bright picture of France's economic outlook and defended the government's proposal to introduce a 35-hour work week at a meeting of finance officials and central-bank governors of the Group of Seven industrial countries in London. He spoke there with Tom Buertke of the International Herald-Tribune.

Q. You have been relatively optimistic about France's economic outlook in spite of the Asian crisis. Why?

A. Foreign demand will probably decrease with the Asian crisis. The overall influence is estimated at 0.4 percent to 0.5 percent of GDP. On the other hand, we have very good news on domestic demand. The latest figures on investment are very good, pointing to a 10 percent increase in 1998. So, we're back to 3 percent growth for 1998.

Q. But many forecasters predict virtually no job creation even with that growth rate.

A. That's another point. Our expectation is about 200,000 new jobs in 1998 in the private sector. To this figure we have to add 150,000 through our youth unemployment plan. How realistic is 200,000? Well, in the 1980s, the rate of growth needed for job creation was 3 percent. Now, most economists think it's 1.5 percent to 2 percent. The figures for 1997 were rather good — growth was approximately 2.5 percent, and we had about 150,000 new jobs — so I'm not anxious about this. The main point is that 200,000 is not enough.

Q. Many of the ministers here have been urging Europe to reduce structural barriers to job creation, and the Americans, the British and even the Germans see France's proposed 35-hour work week as a classic structural rigidity. How do you respond?

A. I think they're wrong. It's exactly the contrary. The 35-hour week is a way to push unions and business to discuss together. That's the way to open negotiations. There will be other elements with the 35-hour week, such as wage moderation and the modulation

of working time. Negotiation is the contrary of rigidity. The proof of that is that foreign investment is still very high. We're second in Europe in foreign investment after the U.K. I was at a new IBM plant two months ago. They had to choose between Poland, the U.K. and France. They said the tax situation is not the best in France. But education, infrastructure — especially telecommunications — are obviously the best.

Q. What are the institutional implications of monetary union for the Group of Seven? Who should speak for the euro zone?

A. Probably the best solution would be to have the same countries attending the G-7, plus the president of the European Central Bank. My advice would be not to change too much.

Q. Do you think the euro zone will be a wide or narrow one?

A. I think it's obvious it will be a wide club. To be frank, the only question on the table, and it was put there not by France but by the Dutch, is the Italian case. Nobody thinks we'll be less than 10. In my opinion, we'll be 11. With the latest figures, I know the Italians are in line with the requirements.

Q. Helmut Kohl was reported last week to support Wim Duisenberg to be head of the European Central Bank for a full eight-year term. What's your reaction?

A. I don't comment on that.

Q. Would you like to split the term between Mr. Duisenberg and Jean-Claude Trichet, the governor of the Bank of France?

A. That's not our first idea. We have to choose a president, and there's no reason why France cannot have a candidate. If it's possible to have a consensus before May, that would be preferable.

Q. What do you say to critics who think that splitting the term would introduce political influence into the central bank from day one?



Mr. Strauss-Kahn at the G-7 meeting.

A. The bank has to be independent, there's no question about it. But the choice of the central bank president is a political one to be decided by heads of state and government. I have no doubt that once they are chosen, the central bank governors will act independently.

ILO Aide Sees Asian Jobless Doubling in '97

Blomberg News

LONDON — Unemployment in Indonesia, Thailand and Korea will probably double by the end of the year, the International Labor Organization has said.

Joblessness is likely to be aggravated as thousands of migrant workers lose their jobs in other Asian countries and return to their homelands, said Eddy Lee, director of analysis and reports at the organization.

The problem in Thailand and Indonesia is severe," he added.

Unemployment in the region has soared since the Thai currency, the baht, which until last year was pegged to a basket of currencies dominated by the U.S. dollar, came under attack amid an overvalued stock market and high corporate debts. The collapse of the baht precipitated a similar reaction in most countries in the region, including Indonesia and South Korea.

Since the crisis began, 1 million to 3 million Indonesians have lost their jobs, an estimated 700,000 Thais are unemployed and 200,000 South Koreans are out of work, Mr. Lee said.

If growth remains static this year, as predicted by the International Monetary Fund, then 1.8 million Thais and 400,000 South Koreans will have lost their jobs by the end of the year, he said.

"If there is zero growth in Indonesia, at least 3 million people will be unemployed," by year's end, he said.

If, as Mr. Lee suspects, the Indonesian and Thai economies contract this year, then job losses will probably be far greater, he said.

SHORT COVER

VW Plans North American Plant

WOLFSBURG, Germany (AP) — Volkswagen AG plans to build a plant in North America to help meet the expected high demand for its new version of the Beetle, the company said Sunday.

Klaus Kocks, a member of VW's board, said the plant would be built either in the United States, Canada or Mexico but declined to say how much the carmaker would invest. Since its debut as a "concept car" in 1994, there has been keen interest in the United States in the '90s version of the Beetle. The old Beetle was last sold in the United States in 1979.

VW is building 50,000 of the new cars this year in Puebla, Mexico, and hopes to build 100,000 next year. The new Beetle is larger than the old model and will cost \$15,200.

Taiwan and EU to Hold WTO Talks

TAIPEI (Reuters) — Taiwan will hold a fresh round of talks with the European Union here from Tuesday to Thursday on the terms for the island-state's entry into the World Trade Organization, local newspapers reported Sunday.

The China Times quoted Economics Ministry officials as saying the talks would focus on issues related to Taiwan's tariff-reduction plan for compact-car imports and the reform of its decades-old wine and tobacco monopoly system. The Economic Daily News quoted Economics Minister Wang Chih-kang as saying Taiwan planned to complete all WTO-related talks by the end of March.

The newspaper said Taipei expected to enter the WTO in May. Government officials were not immediately available for comment.

On Friday, Taiwan and the United States signed an agreement that would open Taiwan's markets to U.S. agricultural products, services and industrial goods.

U.S. Airline Prepares for Shutdown

FRESNO, California (AP) — WestAir Airlines has told its 1,100 employees that they will lose their jobs by mid-June, after the company ends United Express flights from the San Joaquin Valley to San Francisco and Los Angeles.

The airline, a unit of Mesa Air Group, lost a vital contract with United Airlines Inc. to ferry passengers from smaller airports on the West Coast to United flights in the two coastal cities.

Ford Plant Stalled in Philippines

MANILA (AFP) — Ford Motor Co.'s request for incentives to build a 6.18 billion peso (\$154.5 million) integrated facility in the country has been stalled by opposition from rival carmakers, industry sources said Sunday.

The trade department's Philippine Economic Zone Authority was forced to defer approval of Ford's application for incentives such as tax breaks and duty-free importation of capital equipment, said the sources, who asked not to be named.

Vince Socco, senior vice president of Toyota Motors Philippines Corp., said the granting of perks to Ford would give the giant U.S. automaker an "advantage" over existing players who are not getting such incentives.

Barclays in Talks With Standard

LONDON (Reuters) — Barclays PLC's chief executive, Martin Taylor, has approached Standard Chartered PLC with the offer of a merger, the Sunday Telegraph newspaper reported.

It said Mr. Taylor met his counterpart at Standard Chartered, Malcolm Williamson, in London earlier this month to broach the subject.

But it said the offer may be rebuffed because Standard Chartered was determined to preserve its independence. Mr. Taylor has been frustrated in his ambition to achieve a merger with National Westminster Bank PLC because of NatWest's board's refusal to talk, the newspaper noted.

Brokers' Discounts: No Longer Enough?

Many Price-Cutting Firms Add Reports and Research to Their Offerings

By Walter Hamilton
Los Angeles Times Service

LOS ANGELES — When Charles Schwab Corp. had to back down a few weeks ago from its widely promoted plan to provide high-level stock research to customers, individual investors may have just laughed it off as an amusing corporate faux pas.

Days after saying it would make available reports written by Wall Street analysts, the largest U.S. discount broker nixed the idea when the firms that write the reports — and compete with Schwab — balked at Schwab giving away their work. But in truth, the episode was significant for individual investors, regardless of what brokerage firms they use.

For years, small investors have faced a basic trade-off in choosing brokerages. They could go to full-service firms such as Merrill Lynch & Co., whose extensive analysis helped with stock-picking but whose fees were hefty, or they could use discounters with lower prices but minimal research.

Today, however, small investors increasingly can bypass full-service firms and get analysts' reports from discounters. Three well-known discounters — DLJdirect Inc., Olde and Fidelity — already offer some analyst reports. A fourth — E*Trade Group — will do so soon. Others are likely to follow suit.

In many cases, the reports are prepared by full-service firms and are released to discount customers on a delayed basis. The research comes to investors with various strings attached but still costs a small fraction of what full-service brokers charge.

"It's not rocket science to realize your

clients want research," said Michael Gatzala, senior analyst at consulting firm Forrester Research. Discounters are "going to have a harder and harder time differentiating themselves if the only way they try to do it is by cheaper prices."

The emphasis on research represents a shift for discounters, who have spent years cutting commission prices. Until now, the most recent industry development was the emergence of so-called deep discounters, whose prices undercut those of established discount firms.

Even traditional discounters still duke it out over prices.

But among the better-known discounters, rates now go as low as \$7.95 per

INVESTING

trade, and some firms say low prices are no longer a guaranteed way to draw customers. In fact, a new report from the consulting firm Jupiter Communications predicts that some firms eventually will execute a portion of their trades for free and instead make money by selling ads on their World Wide Web sites.

"When you get to the level of \$10 or \$20, people are going to say, 'Gee, I'm investing \$10,000 in the market, and the difference between \$10 and \$20 is not that significant,'" said Blake Darcy, chief executive of DLJdirect.

There are other reasons behind the greater availability of research.

The acceptance of the Internet has given brokers an easy way to distribute the material. Discounters can offset lower trading commissions by charging for research or by luring customers into buying other services.

Finally, there is a shift among dis-

count customers.

Many individual investors buy their own stocks these days, and growing numbers use the Internet to do so. Forrester estimates that the roughly 3 million on-line brokerage accounts in existence at the end of 1997 will swell to 14.4 million by 2002.

Many discount brokers offer basic research such as Standard & Poor's company reports, earnings estimates, rudimentary stock charts and links to stock-related Internet sites. But while the offerings are useful to a point, the numbers lack detailed commentary on companies and their prospects.

That is where the new research offerings come in: DLJdirect and Olde make reports from their in-house analysts available via their Web sites. Fidelity and E*Trade have contracted with full-service firms — Salomon Smith Barney and BankAmerica Robertson Stephens, respectively — for permission to provide their research.

The Web sites of DLJdirect and Fidelity delay the release of research for at least 24 hours after supplying it to institutional customers such as mutual funds and pension funds. E*Trade says small investors will get its materials shortly after institutions. Olde, which caters only to small investors, releases its reports to all customers at once.

DLJdirect is the on-line brokerage unit of Donaldson, Lufkin & Jenrette Securities Corp., a major Wall Street investment bank, and features research from DLJ stock analysts. To have access to the research, DLJ customers must have accounts valued at \$100,000 or more. But at a cost of \$20 for a 500-share trade of a \$50 stock, its prices are highly competitive.

Hanoi to Speed Privatizations

Agence France-Presse

HANOI — Vietnam announced plans to speed its privatization program Sunday, saying it would allow from 150 to 200 state-owned companies to move into the private sector this year.

The country's program to liberalize its state sector has progressed tentatively. Only 21 companies, capitalized at less than \$20 million, have been privatized since 1992.

The government now will be able to speed up the program because of changes in legislation, Finance Minister Nguyen Sinh Hung was quoted as saying by the official Vietnam News Agency.

The opening of the country's first stock market by the end of the year is expected to help the process.

The plan to speed privatizations was announced after meetings last week between Finance Ministry officials and the World Bank. International financial institutions have been pressing Hanoi for a radical restructuring in the state sector.

According to the Finance Ministry, more than half of the country's 6,000 state-owned enterprises are unprofitable.

NET: Companies Explore New Sources of Revenue in Cyberspace

Continued from Page 11

creating content for their own Web sites," he said, "corporations would draw more customer attention if they peppered ads in a wide variety of strategically placed sites."

Although European advertisers still trail their U.S. counterparts in Internet spending, growth in Germany, France, Britain and the Netherlands is expected to reach \$1.2 billion by 2002, according to Jupiter.

Confronted with a decline in Internet connection charges over the next year and a boom in on-line use, the U.S.-based Internet Advertising Bureau is expanding into Europe and Japan, where Web sales are projected to reach \$40 million this year, according to Katherine Randolph of the bureau.

The international group is currently concentrating on developing common standards and definitions for the fledgling on-line ad industry.

There is still confusion over what's

meant by page view and banner sizes, and this needs to be standardized for advertising agencies to have confidence in what they're buying," Ms. Randolph said.

Auto Insurance on the Net

Travelers Property Casualty became the first major insurance company to allow U.S. consumers to purchase automobile insurance over the Internet, initially offering the service in Alabama. The Associated Press reported from New York.

So far, insurance buyers have been able to use the Internet mostly to obtain quotes and names of agents from whom they could purchase a policy.

Travelers' new product, available to Alabama customers on Intuit Inc.'s Quicken InsuranceMarket Web site, will allow them to complete the transaction over the Internet and obtain coverage beginning the following business day. To close the deal, the customers will have to provide a credit card number.

"Self-service-oriented consumers who want to shop, obtain quotes and arrange coverage on-line will have that capability," said Hector Maury, a vice president at Travelers Property Casualty.

Travelers said last week it expected to offer the purchasing option in all 50 states by year-end. So far, electronic signatures, which are necessary to process a transaction on-line, are permitted in only 12 states.

Travelers Property, a unit of Travelers Group Inc., the financial-services company, is America's third-largest property and casualty insurer in terms of assets, behind Allstate Corp. and State Farm Mutual Automobile Insurance Co.

Adoption of Internet insurance sales in the United States has been slow because the industry is regulated on a state-by-state basis.

Internet address: CyberScape@iht.com

Recent technology articles: www.iht.com/IHTTECH

G7: Criticism of Japan's 'Virtual' Economic Policy Grows Louder

Continued from Page 11

ception, one of them reported later, fed some good meals and offered limousines to whisk them back to the airport.

"I got the impression they didn't want to hear about it," a former regulator said.

Washington's main goal these days is to get Japan to agree to buy a large share of exports from South Korea, which are vastly cheaper now that Asian currencies have dropped in value by 50 percent to 80 percent. So far, that is not happening; in fact, it is scarcely being discussed in Japan, where the domestic economy's troubles overshadow those of the rest of Asia.

The American-led rescue of Mexico worked because the United States was growing fast enough to buy up whatever Mexico made," Robert Hormats, deputy chairman of Goldman Sachs International, said last week.

"In Asia, that should be Japan's role as the region's leader and its richest economy. But the Japanese seem oblivious to it. And if Asia comes unglued again, that will likely be the reason why."

Of course, the Clinton administration's motives are hardly selfless. Officials predict that the U.S. trade deficit will soar this year as low-cost Asian exports flood into the United States.

"Japan has to understand the political reality in Washington," Commerce Secretary William Daley said in Washington before leaving on a weeklong tour of Asia to deliver that message. "A soaring trade deficit and an election year," he said, referring to the U.S. congressional elections this November, "are not a good mix for them. And any idea that the Asia crisis is over, that a recovery has begun, is very much premature."

But U.S. officials say they have little expectation that their complaints will yield real results. The new finance min-

ister, Mr. Matsunaga, is a former prosecutor who was appointed to clean up the scandal-ridden ministry. He has little experience in global economic issues.

Mr. Hashimoto is fond of scandals that have rocked his party and the nation's banks, making public financing to bail out the banks politically unpopular. Moreover, the prime minister has promised to end deficit spending, and his aides make it clear that Japan has little intention of spending the kind of money that would be required to spur the economy.

"The stagnation of the past two years was the fault of the government," said Edward Lincoln, a senior fellow at the Brookings Institution who also was the special economic adviser to Walter Mondale when he was U.S. ambassador to Japan. "For a long time, the Japanese were in denial, saying things weren't as bad as everyone thought. Now it is clear that they are that bad, and they are making Asia's problems worse."

DO YOU LIVE IN FRANCE?

• Subscribe and SAVE up to 60% off the cover price.

• Also available: PAY MONTHLY by easy, low cost, direct debit.

EARLY MORNING DELIVERY TO YOUR HOME OR OFFICE

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office. In and around most of Paris and Lyon the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday. And, because it is printed in Paris, Toulouse and Marseille, it can be sent by post to arrive on the same day in most of France at no extra cost.

The result?
Unique coverage of the world you live in, brought to you as it changes — daily.

For more information about easy ordering and availability of hand delivery
CALL our Subscriber Customer Service Department:
TOLL FREE 00800 4 448 7827 (00800 4 IHT SUBS)
or Fax 01 41 43 92 10
E-mail: subs@iht.com — Internet: http://www.iht.com

PAYMENT BY MONTHLY DIRECT DEBIT

☐ YES, I'd like to subscribe and have my bank account debited monthly by FF162.
Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CREDIT CARD

☐ YES, I'd like to subscribe and pay for the following term:
☐ 12 months (+ 2 months free): FF1,950 (Saving off cover price: 46%)
☐ Special, 2-month trial subscription: FF210 (Saving off cover price: 60%)
☐ My check is enclosed (payable to the IHT)
☐ Please charge my:
☐ Access ☐ Amex ☐ Diners
☐ Eurocard ☐ MasterCard ☐ Visa
 Credit card charges will be made in French Francs at current exchange rates.
 Card No. _____ Exp. _____
 Signature: _____
☐ Please start delivery and send invoice.

YOUR DETAILS

Family Name: _____
 First Name: _____
 Job Title: _____
 Mailing Address: ☐ Home ☐ Business

 City: _____
 Postal Code: _____
 Telephone: _____
 E-Mail Address: _____
 Your VAT No. (Business orders only) _____
 (IHTVAT No. 747 320 211 36)
 I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other
☐ I do not wish to receive information from other carefully screened companies. 23-2-98

This offer expires on December 31, 1998 and is AVAILABLE FOR NEW SUBSCRIBERS ONLY.

Return your completed coupon to:
 Subscriptions Director, International Herald Tribune,
 181, Avenue Charles-de-Gaulle, 92521 Neuilly Cedex.
 Fax: 01 41 43 92 10 E-Mail: subs@iht.com FR14

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:

EUROPE, MIDDLE EAST & AFRICA Tel: +33 1 41 43 93 61 Fax: +33 1 41 43 92 10	THE AMERICAS Tel: (USA toll free) 1-800-882-2884 Fax: +1 212 755 8785	ASIA Tel: +852 29 22 11 71 Fax: +852 29 22 11 99
--	---	--

Consolidated prices for all shares traded during week ended Friday, Feb. 20

(Continued)

Stocks	Div	Yld	Sales			
			100s	High	Low	Clos
PacificCo	-	3 1/2	84 1/2	84 1/2	84 1/2	84 1/2
Phelon	-	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Proct & S	-	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2

[illegible]

PEANUTS



Unscramble these four jumbles, the letter to each square, to form four mystery words.

CHOVA
 □ □ □ □ □ □ □ □

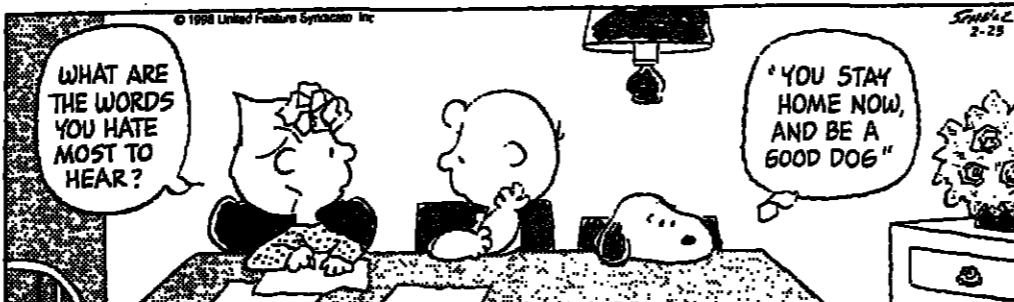
LIVIG
 □ □ □ □ □ □ □ □

GUNSLY
 □ □ □ □ □ □ □ □

RAMPUK
 □ □ □ □ □ □ □ □

BUSINESS OPPORTUNITIES
Appears every Wednesday
in The Intermarket.
To advertise contact Nina Niel
in our London office:
Tel.: +44 1 71 420 0325
Fax: +44 1 71 420 0338
or your nearest IHT office
or representative.

**A two-month trial
subscription.
Save up to 60%**



GARFIELD



BEETLE BAILEY



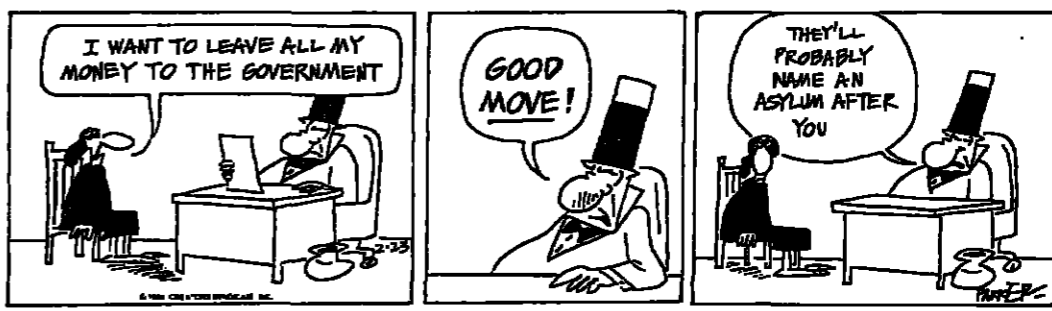
BLONDIE



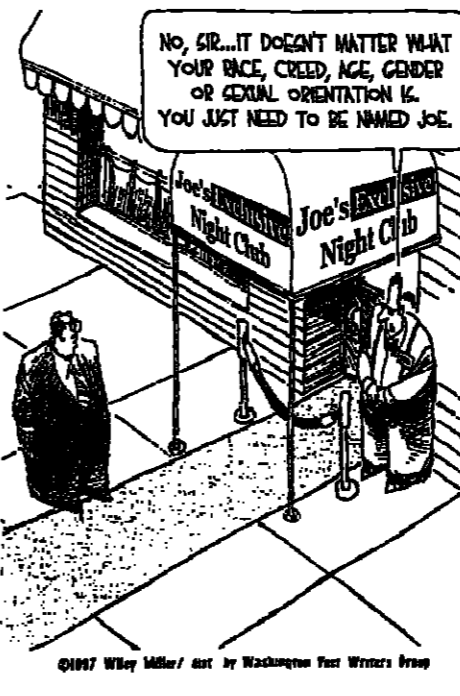
CALVIN AND HOBBS



WIZARD of ID



NON SEQUITUR

**DOONESBURY**

COUNTRY/CURRENCY		2 MONTHS NEWSPAPER PRICE	2 MONTHS OFFICE PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,450	850	55%
BELGIUM/LUXEMB.	BF	3,580	1,350	60%
DENMARK	DKK	940	540	50%
FINLAND	FIM	1,100	500*	50%
FRANCE	F	3,200	210	80%
GERMANY	DM	750	70	90%
GREAT BRITAIN	£	47	22	53%
HONG KONG	HK\$	720	200	70%
INDONESIA	RI	143,400	58,000	60%
JAPAN	¥	26,000	12,150	53%
MALAYSIA	RM	182	108	40%
NETHERLANDS	fl.	192	90	50%
NORWAY	NOK	832	590	53%
SPAIN	Ptas	261	200	50%
SINGAPORE	S\$	11,700	5,000	57%
SWEDEN	SEK	832	3,580	58%
SWITZERLAND	CHF	196	85	50%
THAILAND	THB	75	25	60%

FOR OTHER COUNTRIES, PLEASE CONTACT YOUR NEAREST TIME OFFICE

Yes, I would like to start receiving the International Herald Tribune
☐ My check is enclosed (payable to the IHT)
 Charge my ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
 for EU and Asian prices. credit cards will be charged in French Francs at current rates.
 Card No. _____ Exp. Date: _____
 Signature: _____
 For business orders, indicate your VAT No.: jht1 VAT Number FR27230211268
 Mr/Mrs/Ms Family Name _____ Job Title _____
 First Name _____
 Mailing Address: _____
 City/Codes _____

Country _____
 Home Tel No: _____ Business Tel No: _____
 E-Mail Address: _____
☐ I do not wish to receive information from other companies and/or companies
☐ I do wish to receive information from other companies and/or companies
 Mail or fax to: *International Herald Tribune*
EUROPE, MIDDLE EAST & AFRICA
 181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
 Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
 850 Third Avenue, New York, N.Y. 10022-6275, USA
 Fax: +1 212 755 8785. Tel: (toll free) 1-800-882-2884
ASIA
 7/F Malaysia Bldg, 30 Gloucester Rd, Wanchai, Hong Kong
 Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: sub@iht.com - Asia: sub@iht.com - Internet: www.iht.com
 Offer valid for new subscribers only.
 HA7M

WORLD ROUNDUP



Patty Schnyder beat Jana Novotna in the Faber Grand Prix.

Teen Beats Novotna

TENNIS
Patty Schnyder, an unseeded Swiss teenager, saved two match points Sunday as she upset top-seeded Jana Novotna to win the Faber Grand Prix in Hannover.

Schnyder, 19, and Novotna battled for more than two hours in a see-saw match, before Schnyder took advantage of Novotna's mistakes in the final game to win the \$450,000 event, 6-0, 2-6, 7-5.

Novotna, hampered by a lightly strained stomach muscle, served two double faults and let a passing shot fall in uncontested from Schnyder during the final game.

Greg Rusedski beat Marc Rosset, the defending champion, 7-6 (7-3), 3-6, 6-1, 6-4 in Antwerp on Sunday in the final of the \$1 million dollar European Community Championship. (Reuters)

Kiwis Beat Zimbabwe

CRICKET New Zealand beat Zimbabwe by 10 wickets with a day to spare in the first cricket test at Wellington's Basin Reserve on Sunday. Zimbabwe was all out for 250 in its second innings, leaving New Zealand to make just 20 to win. The home team took just 23 balls to score the runs. (Reuters)

Mutola Breaks Record

ATHLETICS Maria Mutola of Mozambique broke one of the longest-standing records in athletics Sunday when she won the women's 800 metres in one minute 56.36 seconds at the indoor meeting on Sunday in Lievin, Belgium. Mutola beat the previous world record of 1:56.40 set by East Germany's Christine Wachtel at a meeting in Vienna 10 years ago. (Reuters)

Coach Says Unban Drugs

ATHLETICS Wilf Paish, a leading British coach, has called for the legalization of performance-enhancing drugs in sport.

Paish, who coached Tessa Sanderson to a gold medal in the javelin at the 1984 Olympics and was also in charge of the South African track and field team at the last Games in Atlanta, made his comments in a BBC television program shown Sunday. (Reuters)

Fryatt Wins in Malaysia

GOLF Edward Fryatt of England beat defending champion and compatriot Lee Westwood on the second hole of a sudden death playoff in the \$300,000 Malaysian Open golf championship on Sunday. (Reuters)

Juventus and Inter Both Stumble, 3-0

Lazio and Udinese Close In on Italian Leader

Compiled by Our Staff From Dispatches

ROME — The top two teams in the Italian league both lost Sunday.

Juventus, the Serie A leader, fell to only its second league defeat of the season Sunday as it lost, 3-0, in Florence. Inter Milan fell, also 3-0, to Lazio in Rome and surrendered second place to its conqueror.

Aldo Firicano and Luis Oliveira put Fiorentina ahead, 2-0, inside the opening 45 minutes. Juve dominated the second half and only the woodwork and some

The result meant Leeds moved up from ninth to eighth in the table, while Newcastle rose from 14th to 13th.

On Saturday, Manchester United opened a nine point gap at the top of the premier league when it beat Derby County, 2-0, while Chelsea and Blackburn both lost.

Goals from Ryan Giggs and a Denis Irwin penalty secured the points for the leader, which is chasing their fifth title in six seasons.

But Giggs finished the game with a hamstring injury that will keep him out of United's European Cup quarterfinal first leg against Monaco on March 4.

Chelsea, playing its first league match under new player-manager Gianluca Vialli, lost, 2-0, at Leicester, where Emile Heskey scored two minutes after the start and two minutes before the end.

SCOTLAND Jorg Albrecht scored in the 88th minute to give Rangers, playing with 10 men, a 2-1 victory over Hibernian.

Hibernian, bottom of the Scottish Premier League, took the lead with a goal by Barry Lavery after 19 minutes. Marco Negri equalized for Rangers, the league leader, in the 35th minute for his 35th goal of the season.

Alex Cleland was sent off in the 73rd minute for his second yellow card, but Hibs could not take advantage of their numerical superiority.

Celtic, which started the day level with Rangers on points, beat Kilmarnock, 4-0, and is now level with the leader on goal difference, but Rangers leads because it has scored more goals. Harald Brattbak scored all four Celtic goals.

FRANCE Olympique Marseille, the French league leader, lost, 1-0, at home to Rennes, one of the bottom team in the division on Saturday. Metz, which is second, lost 2-1 at Le Havre.



Ronaldo, the Inter star, trudging off the field after his team lost.

desperate defending spared Fiorentina before Anselmo Robbiati completed Juve's humiliation with a neat lob in the 78th minute.

Lazio, unbeaten in its last 15 matches, outplayed Inter, which has lost four of its last 11 matches. It was Inter's heaviest defeat of the season and its miserable afternoon was completed when fullback Mauro Milanese was sent off in the closing minutes for a second yellow card.

Salvatore Fiesi, an Inter defender, miskicked the ball to set up Diego Fuser for the 25th minute opener. Allen Bokic, with his ninth season goal, headed the second following a neat dummy from Roberto Mancini.

The match started as it finished with Fiesi dallying too long on the ball and Castagnoli firing a third.

Udinese, which is fourth, also closed the gap on the leaders with a 3-0 victory over Sampdoria. Martin Jorgensen replaced Oliver Bierhoff, Udinese's top scorer, and scored the first two goals.

George Weah, playing his first league match since sustaining a back injury on Dec. 7, took three minutes to set AC Milan on the way to a 3-1 home victory over Empoli. Maurizio Ganz and Filippo Maniero also scored for Milan. However, a rare Milan success was marred by a last-minute red card for Croat midfielder Zvonimir Boban.

SPAIN Athletic Bilbao, Celta Vigo, Real Sociedad and Real Betis all wasted a chance to close in on Real Madrid on Sunday.

Real Madrid, the Spanish league leader, had stumbled to a dramatic 4-3 defeat in the final few minutes of its game at Tenerife on Saturday.

Real Sociedad, from San Sebastian, missed the chance to move into second place when it drew 2-2 at home against Oviedo.

Mallorca jumped into fourth spot with a 2-1 victory over Racing Santander, all three goals coming in the final seven minutes.

Celta Vigo lost 2-1 to fast-improving Valencia and slipped to sixth, while Athletic Bilbao fell to seventh place after it lost, 3-0, at Deportivo Coruna.

On Saturday, Real led, 3-2, with six minutes and was playing against 10 men. But it fell apart at the back, conceding two goals and having two men sent off.

Roy Makaay leveled the score in the 84th minute, and moments later was on the receiving end of the foul that led to the penalty which won the game for Tenerife.

ENGLAND Temur Ketsbaia, who had been on the pitch for less than a minute, rescued a point for Newcastle United in a 1-1 draw with Leeds United in the Premier League on Sunday.

Leeds seemed set for victory after a brilliantly executed volley from Rodney Wallace gave it the lead in the 82nd minute.

Ketsbaia, who came on as a substitute in the 86th minute, leveled for Newcastle less than a minute later when his left-foot shot slipped through the arms of Leeds goalkeeper Nigel Martyn.



Morocco's Ali el Khattabi tripping as he passes South Africa's John Moeti in the African cup quarterfinals.

South Africa Topples Morocco in Soccer

OUAGADOUGOU, Burkina Faso — A second-half strike by the defender David Nyathi gave South Africa a 2-1 victory over Morocco in their African Nations' Cup quarter-final Sunday.

Nyathi scored his first international goal in 34 matches with a long-range drive that put the defending champion into the semifinal.

South Africa, which had its defender Andrew Rabutla sent off in injury time, will play the Democratic Republic of Congo on Wednesday in the semifinal. South Africa spent much of the game

on the defensive after taking a lead at 21 minutes with a goal by Benedict McCarthy. The Ajax Amsterdam striker scored his fifth goal of the tournament from close range.

Morocco attacked for much of the second half, but Nyathi caught the Moroccan with a solo run down the flank and then struck home with his weaker right foot.

On Saturday, Burkina Faso eliminated Tunisia, 8-7, on penalties after the teams had played to a 1-1 draw in 90 minutes followed by a goalless extra time.

The other quarterfinal Saturday was

also decided by a shootout. Egypt beat Ivory Coast, 5-4, on penalties after a languid 120 minutes with few scoring opportunities.

U.S. Loses 2-0 to Netherlands

The U.S. national soccer team, hoping to build on its impressive run to second place in the Gold Cup last week, committed blunders at the start of each half Saturday and lost to the Netherlands, 2-0, the Washington Post reported from Miami.

Ronald de Boer and Philip Cocu scored for the Dutch.

A Glorious Spectacle for Rugby Lovers

International Herald Tribune

It was a glory day for English and French rugby. A truly extraordinary Saturday. So many records were broken that it is tedious to list them.

The happy news: France and England have come good at last. Both coaches, Jean-Claude Skrela and Clive Woodward, were under pressure after poor results. Their newfangled message was not getting across to the players. Yet the young coaches persisted, and suddenly both countries produced world-class rugby.

The gloomy news: The annual Five Nations tournament looks moribund. What will be the point, for France, of playing Ireland on March 7 and then Wales on April 5? And for England, of playing Scotland on March 22 and Ireland on April 4? The big two are in a Northern Hemisphere league of their own. Their matches with the little three are turning into practice games.

Interest (including that of the players?) depends on drama and suspense. Maybe we will still see an upset. There was certainly a widespread disposition to fear, or want, one going into this past weekend's two matches.

Had not the English been humiliated in France on Feb. 7? Maybe the Welsh, who were away in the wings narrowly beating Italy that weekend, could hope to out-bluster a confused England.

And have not the French consistently played poorly in Edinburgh in recent decades, as if under a Scottish spell? Besides, was not the commitment they summoned against England a one-off thing? Stéphane Glas, one of the French centers, threw up after that match, such was the tension.

At Twickenham, Wales had scored two tries to none and deserved its 12-6 lead after 23 minutes. At Murrayfield, two penalty goals made for a 6-0 Scottish lead early on.

But no, desperate England was soon rampant. And France cruised into what

Vantage Point/ BOB DONAHUE

can conservatively be called brilliance. Scotland's Jim Telfer, the Northern Hemisphere's most respected coach, said this was the best French team he had ever seen. He also said that his own players were the best Scotland had at the moment.

The dazed Welsh scored four tries at Twickenham and lost. England scored eight, an astronomical figure.

The French totaled a mere seven tries (to one) at Murrayfield — the first time in 60 years that visitors have managed that at any Five Nations venue. "Poetry in motion," as a sportswriter put it. It was a show day for backs. Jeremy

Guscott and David Rees of England would be candidates for a World Team. Ditto Thomas Castaignede and Philippe Carbonneau of France.

Big forwards made the difference, though. England's front five were imperial, with lock Martin Johnson outstanding. For France, flankers Olivier Magne and Marc Lievrement were not the only forwards who impressed in open-field attack. If you could keep only one image of the big day, it might best be of prop Christian Calmano sidestepping his way to a try like a center.

The question, then: Can France and England keep this up?

England Thrashes Wales, 60-26

LONDON — England ran in eight tries to thrash Wales, 60-26, at Twickenham on Saturday.

It was the highest points total ever amassed by a team in the Five Nations and equaled England's record score, achieved against Canada and Japan.

It was also the highest aggregate Five Nations total and broke new ground with the number of replacements used — six on either side.

Wales led after 20 minutes on the back of two tries by Allan Bateman.

But in the final 12 minutes of the first half, England scored four tries. David Rees, Neil Back, Kyran Bracken and skipper Lawrence Dallaglio scored as England's forwards drove the Welsh back.

Rees scored a second try 10 minutes into the second half. Gareth Thomas replied for Wales.

Austin Healy, Will Greenwood and Matt Dawson, on as a 70th minute replacement for Bracken, all scored further tries for England before Scott Gibbs

touched down for Wales at the final whistle.

FRANCE 51, Scotland 16 In Edinburgh. France outpaced and outwitted the Scots on a premature spring day providing ideal conditions for the French running and passing approach.

France scored seven tries as it broke its previous highest score of 47-20 set at Parc des Princes last year.

In the 14th minute, Marc Lievrement, a flank forward, touched down after the French pack had pushed the Scots back over their line. Lievrement scored again six minutes later. Winger Philippe Bernat-Salles scored France's third and fourth tries.

Tony Stanger replied with Scotland's only try following a mistake by Thomas Castaignede but Christian Calmano, Philippe Carbonneau and Castaignede replied for France.

Phil Vickery, an England prop, was suspended Sunday for 30 days for punching Welsh flanker Colin Charvis during Saturday's international at Twickenham.

New Marlins: Only a Few Champs Left

*By Murray Chass
New York Times Service*

MELBOURNE, Florida — The Florida Marlins, the World Series champions, worked out with what was billed as their first full-squad workout Friday. The Marlins used the term loosely.

"It takes a little enjoyment out of it," John Cangelosi said, lamenting the clubhouse scene. "Just for the fact that you know when you get to spring training, you're not going to be able to try to repeat, or have the camaraderie of talking about last year. I mean, who am I going to talk to about last year, what we went through or how exciting it was? That's where it's sad: where you can't sit around and talk about how we won it last year."

Cangelosi, a reserve outfielder on the team that won the Series and the National League pennant but not a division championship, worked out with what remained of his fellow champions, although not even all of the remnants were here.

Twelve members of the 25-man World Series squad were not present at Space Coast Stadium to put on their uniform pants one leg at a time because they had been dispatched, one way or another, mostly through trades, in the ugliest payroll purge this side of Charlie Finley.

But Bobby Bonilla was not here because he was home rehabilitating his surgically repaired wrist. Alex Fernandez was home, too, recuperating from a torn rotator cuff, which had knocked

him off the Series squad. Charles Johnson was not here because he was attending his salary arbitration hearing in Phoenix, where he was not far from five of the dirty dozen.

Sheffield about last season because Sheffield was home rehabilitating his bruised ego. Just before the workout began, the Marlins disclosed that Sheffield had received permission not to report until next Thursday.

The \$61 million man, the Marlins' statement said, "has personal business to attend to and will complete his physical training with his personal conditioning instructor."

Under terms of the collective bargaining agreement, players do not have to begin spring training until 33 days before the start of the season. That compares to the day now scheduled for Sheffield's spring debut. The immediate speculation was that Sheffield's delayed arrival was his protest over: (a) the Marlins' attempt to shed him along with the other players; (b) the Marlins' shredding of the team, or (c) both of the above.

Manager Jim Leyland also played down Sheffield's absence, but said, "I don't think anybody is in the exact frame of mind that they were in last year."

As the skies cleared from an overnight rainstorm, the forecast for the team remained bleak.

Moises Alou was 55 miles (88 kilometers) to the west in Kissimmee with Houston; Al Leiter and Dennis Cook were 70 miles to the south with the Mets

in Port St. Lucie; Jeff Conine was 75 miles to the west with Kansas City in Davenport; Tony Saunders was on the other coast with Tampa Bay, and Kevin Brown, Robb Nen and Devon White, among others, were in Arizona, maybe serving as a cheering squad for their former teammate's arbitration hearing.

"You win a World Series and you think about everybody lining up opening day and getting their rings and raising their flag," Gregg Zaun, the Marlins' backup catcher, said. "It's disappointing."

Has the fire sale detracted from the joy of winning it all?

"Oh, of course," Cangelosi said. "When you trade your best player a week and a half after you've won something together, it kind of takes the air out of the bubble. We had something special. For them to take our players away, it's like losing a family member."

As the players spoke of the departed and of what might have been, they knew their team had not completed its purge. Although talks with the Mets about Sheffield have cooled, general manager Dave Dombrowski acknowledged that he planned to trade at least one more World Series player, Jim Eisenreich.

"We're going to do that," he said as players with unfamiliar names on their backs (Makarewicz?) took batting practice in covered cages unaffected by the rain. "There's been enough interest shown. We've told Jim about it. It just gets down to what we're doing from a financial perspective with what Jim's salary is. It doesn't fit in to what we're doing."

EF Language Cleans Up in Whitbread Race

*By Angus Phillips
Washington Post Service*

WASHINGTON — With 700 miles to the finish line in Brazil and a 437-mile lead on the next boat, EF Language seemed certain to win another leg of the Whitbread round-the-world race and solidify its commanding lead in the overall standings.

"I took a shower today," skipper Paul Cayard e-mailed Saturday as the boat sped north along the Argentine coast at 11 knots.

"Twenty days, no shower," a personal record, he wrote. Conditions were not good for personal hygiene earlier as EF Language moved across the frigid Southern Ocean from Auckland, New Zealand, to Cape Horn on the 6,670-mile (10,730-kilometer) leg.

Having rounded Cape Horn and started heading toward the equator,

Cayard reported that the seawater temperature was up to 74 degrees Fahrenheit (23 centigrade) and that he had found some extra soap for the long-awaited cleanup.

EF Language's 12-man crew could afford to relax with the finish line due early Monday. A first-place finish would be their third in five legs. Their nearest rival is lowly rated Brunel Snegry, which stands eighth in the nine-boat fleet. Brunel skipper Roy Heiner scored a coup over the rest of the fleet, going east of the Falkland Islands after rounding Cape Horn and rocketing from sixth place to second as the others languished in a windless hole west of the islands.

"Just finished an exhilarating watch," Heiner reported. "No moon, no stars, absolutely no light whatsoever." Zipping along in 25 knots of wind while his rivals stood still was "enormous fun," he wrote.

In the meantime, Chessie, the Maryland entry, was back in contention after picking up emergency repair equipment near the Argentine coast Thursday. Chessie stood fifth Saturday, 50 miles behind Brunel but within five miles of third-place Merit Cup and fourth-place Swedish Match.

Going "from the deepest depression imaginable," when Chessie had to stop racing and head for shore to get parts for a broken pump, "to back in the yacht race in three days is incredible," wrote watch captain Grant Spanhake of Annapolis.

Silk Cut and EF Education, both dismasted in the Southern Ocean, limped toward the finish. On Friday, Silk Cut made port in Ushuaia, Argentina, in the Beagle Channel behind Cape Horn, to pick up repair gear and was continuing up the coast under jury-rigged sails attached to the remaining half of its mast.

SPORTS

Duke Tramples UCLA In Pursuit of Top Spot

No. 1 North Carolina Opens Door by Losing

The Associated Press
DURHAM, N.C. — Duke, the second-ranked college basketball team, made a strong bid to reclaim the top ranking with a 120-84 victory over No. 12 UCLA on Sunday.

Trajan Langdon matched his career-high with 34 points to lead the dom-

COLLEGE BASKETBALL

inating performance. It was the most points ever allowed by the Bruins.

Duke (25-2) or No. 3 Arizona, which has the longest winning streak, will probably rise to the top of the poll following No. 1 North Carolina's home loss to North Carolina State on Saturday. It could be Duke's third stint as the top-ranked team this season.

UCLA (20-6) began playing basketball in 1919 and the most points it had ever allowed had been 116 to Stanford in double overtime in 1987.

The Blue Devils scored 57 points on the stunned Bruins in the opening 20 minutes, shooting 56 percent, making 10 of 17 3-pointers and blocking seven shots to go up by 24 points at halftime.

No. 8 Kentucky 85, Georgia 74 In Lexington, Kentucky, Nazr Mohammed scored 16 points to lead five Kentucky players in double figures.

Georgia (14-12, 6-8 Southeastern Conference) led at halftime, 43-36, but wilted against the full-court pressure applied by the Wildcats (24-4, 12-2).

No. 22 Michigan 112, Indiana 64 In Ann Arbor, Michigan, Jerod Ward had a career-high 24 points and 10 rebounds as Michigan scored the most points ever allowed by a Hoosiers team coached by Bob Knight.

It was the second time in 132 games between the schools that Michigan (19-8, 9-5 Big Ten) had scored more than 100 points against the Hoosiers (18-8, 9-5). The other was on March 7, 1970.

In games played Saturday:
North Carolina State 86, No. 1 North Carolina 72 The Wolfpack (15-11, Atlantic Coast Conference 5-9), 21-point underdogs, upset the top-ranked Tar Heels despite making only seven baskets in the second half, including two in the final 13:24. But N.C. State, the second-best free-throw team in the conference, made 25 straight free throws to nail down the victory.

North Carolina (26-2, 12-2) has two regular-season conference games left; the second is at Duke on Saturday.

No. 3 Arizona 91, Oregon 66 Mike Bibby scored 17 of his 25 points in the second half and Miles Simon added 20 points and five assists as the Wildcats

(24-3, 14-0 Pac-10) won in Oregon. It was the Wildcats' 17th straight victory.

No. 4 Kansas 71, Iowa State 54 In Lawrence, Kansas, the Jayhawks clinched their second straight Big 12 championship. Paul Pierce, scored just two points in the first half, but finished with 19 as Kansas gained its 59th straight home court victory.

Marcus Fizer, Iowa State's sensational freshman, had 13 points in the first half as the Cyclones stayed within one point of Kansas. Guarded by Pierce much of the second half, the 6-foot-8 Fizer was scoreless. Kansas (29-3, 13-1) is 28-2 in conference games since the Big 12 was formed.

Penn State 74, No. 5 Purdue 63 In State College, Pennsylvania, the Nittany Lions gained their first win over a Top 5 team in 50 years.

The Nittany Lions withstood an early second-half challenge by the Boiler-makers (22-6, 10-4 Big Ten), who came back from seven down at halftime to tie the game with 13:30 left.

No. 6 Utah 55, Air Force 41 In Salt Lake City, the Utes (23-2, 9-2 WAC) held the Falcons (9-14 overall, 2-10) scoreless for the final 4:20.

No. 7 Connecticut 63, Villanova 76 In Philadelphia, the Huskies (24-4, 13-3 Big East) held on after Villanova (10-15, 7-9), which had trailed by as many as 15 points, closed to 79-76 with 47 seconds left.

No. 9 Princeton 74, Dartmouth 53 Princeton (23-1, 11-0) extended its winning streak to 16 games by beating visiting Dartmouth (6-18, 3-9) for the seventh straight time. The Tigers moved within two games of winning their third straight Ivy League title.

No. 10 Stanford 72, Washington State 56 In Stanford, the Cardinals (23-3, 12-2) beat the Cougars (9-17, 2-13), who have lost 10 of 11.

No. 13 South Carolina 78, Florida 74 B.J. McKie scored 31 points as the Gamecocks (20-5, 10-4 Southeastern Conference) won in Florida (13-11, 6-8).

No. 14 Michigan State 56, Wisconsin 47 Mateen Cleaves, benched for the first half as punishment for his arrest earlier in the week, scored 14 points as the Spartans rallied in Wisconsin to clinch at least a share of the Big Ten championship.

Cleaves, a sophomore guard, and freshman forward Andre Hutson were benched for the first half by coach Tom Izzo as part of their punishment for being arrested early Wednesday in East Lansing, Michigan, on alcohol-related



North Carolina's Antawn Jamison, left, fighting for a rebound with N.C. State's Cornelius Williams during action Saturday at Chapel Hill.

charges. In their absence the Spartans (20-5, 13-2) struggled in the first half against the ninth-placed Badgers (11-16, 3-11), who lost their ninth straight conference game.

No. 15 Mississippi 82, Mississippi State 78 In Starkville, Mississippi, Ansu Sesay scored 25 points as Ole Miss (19-5, 10-4 Southeastern Conference) won their fifth straight.

No. 16 Arkansas 107, Auburn 83 In Fayetteville, Arkansas, the Razorbacks (22-5, 11-3 Southeastern Conference) made 13 of their first 19 3-point attempts against the Tigers (15-10, 7-7) who played without Randy Hughes and Derek Caldwell, both suspended indefinitely for violation of team rules.

No. 17 Cincinnati 75, DePaul 58 In Cincinnati, the Bearcats (21-5, 12-2 Conference USA) gained their 15th consecutive victory over the DePaul (7-10, 3-11).

No. 18 Massachusetts 82, St. Joseph's 79 In Amherst, Massachusetts, Lari Ketter made five points in overtime as the Minutemen (20-7, 12-2 Atlantic 10) beat St. Joseph's (9-15, 2-12).

No. 19 Texas Christian 85, No. 11 New Mexico 64 In Fort Worth, Texas, Lee Nailon scored 31 points and Mike Jones added 29 as the Horned Frogs avenged an earlier loss to the Lobos.

Rutgers 62, No. 21 Syracuse 58 Rob Hodgson scored 19 points as the Scarlet Knights (12-13, 6-11 Big East) recorded their first home victory over a ranked team since 1991.

Todd Burgan led the Orangemen (20-6, 10-5) with 20 points.

No. 22 Maryland 81, Georgia Tech 69 In College Park, Maryland, the Terrapins (16-9, 9-6) clinched a third-place finish in the ACC with their fourth straight victory over Georgia Tech (17-10, 6-8).

NBA Rookies Count to 3 And Seek Better Deals

By Mike Wise
New York Times Service

It seemed a good idea at the time. The National Basketball Association wanted to stop being held to ransom by untested rookies who had been selected in its annual draft, so it designed a rookie salary scale that would limit the rewards to the league's kids until they had three years of experience under their belt.

But less than three years after the owners and the players agreed to the plan, it has gone bust in a number of ways. It has not helped teams keep star players, nor has it helped professional basketball's out-of-whack economics.

The owners created a problem by giving up the right of first refusal during labor negotiations in the summer of 1995. Instead of a team having the right to match another team's offer to their free agents, a player now can simply bolt.

"The flip side to the deal is that players can feel like they are sort of serving just an apprenticeship, and the dynamics about how players feel about their teams change," said Russ Granik, the National Basketball Association's deputy commissioner. "I felt at the time that the owners gave up a lot by giving up a right of first refusal."

Of the first 13 picks in 1995, only three have remained with the team that drafted them. And two of those three players — Kevin Garnett in Minnesota and Bryant Reeves in Vancouver — signed such extraordinary deals that their franchises must find creative ways to keep competitive rosters intact.

Last week, the No. 1 pick from that draft, Joe Smith, and the No. 7 pick, Damon Stoudamire, were dealt because the teams that had drafted them felt that they were not prepared to pay \$100 million to keep them, or that no matter what amount of money they offered between seasons, the players would bolt anyway.

"It's really a sad state of affairs," Garry St. Jean, Golden State's general manager, said recently. "You have a guy for three years, and you barely have a chance to evaluate him, and he's gone."

In the Warriors' case, they did not feel Smith was worth the commitment. While some players have benefited greatly — Garnett's \$126 million deal is the sterling example — the structure has created a league of disparate salaries, an NBA of haves and have-nots.

There is a good chance the collective bargaining agreement will be reopened in April by the owners, who have the unilateral right to do so.

There is an even better chance that the current rookie scale will be up for in-

tense debate and, possibly, change.

"The way things are now, something has got to give," Kevin McHale, Minnesota's vice president of basketball operations, said recently. "There's no stability, and it's not impossible to keep a playoff team together in a small market. And oftentimes, three years after you're done putting all the effort into teaching and nurturing, your player is gone to someone else."

The lack of stability is also affecting the players. Eric Montross, Sam Cassell and Jim Jackson might have substantial arguments to make about not reporting to the next team they are traded to. Playing for four teams apiece over the past year, they have been at the system's mercy.

If Montross (Boston, Dallas, Nets, Philadelphia), Cassell (Houston, Phoenix, Dallas and the Nets) and Jackson (Dallas, Nets, Philadelphia, Golden State) held out for a clothing stipend to accommodate each climate change, maybe people would understand.

But what happened before Thursday's deadline — Kenny Anderson refusing to report to Toronto and Rony Seikaly failing to show in Utah — has the league worried and perhaps thinking about amendments to its current trade-and-report procedures.

"If it becomes more and more prevalent, that's a definite concern," Granik said. "When our players don't report on trades, it's a little disturbing."

Section 10 of the uniform player contract states that if players fail to report in the 48-hour window after a trade, they can be suspended without pay. Orlando was apparently prepared to exercise that clause in Seikaly's case before the Jazz voided the deal.

Anderson's situation was even more troubling. Soon after he was traded for Stoudamire, he steadfastly refused to play for Toronto. Rather than deal with the ramifications of a disgruntled player, the Raptors settled for the Celtics rookie Chauncey Billups to run their team instead.

Though the Raptors gained an improving forward in Gary Trent and another promising rookie in Alvin Williams from the Portland deal, Glen Grunwald, Toronto's general manager, essentially found himself taking Boston's unwanted baggage off its hands and getting less than the franchise could have had for Stoudamire, one of the most coveted players of the last two months.

Several well-documented tales of agents or players erupting in anger after being informed of a potential trade led to the demise of several deals, including a three-way deal in which Stoudamire was supposed to go to Orlando and Anfernee Hardaway would have come to the Nets.

Pippen Inspires Bulls to Whip Wizards

By Ric Bucher
Washington Post Service

WASHINGTON — The capacity crowd at MCI Center shuffled out quietly, having failed to see the best from either the home team, the Washington Wizards, or from the star of the visiting Chicago Bulls, Michael Jordan.

The Wizards, playing for the sixth consecutive game without injured forward Chris Webber and Jurvan Howard, simply did not have the firepower to avoid a 94-88 loss to Jordan and the Chicago Bulls on Saturday.

Jordan played 42 minutes but made only 8 of 23 shots for 19 points. Scottie Pippen proved to be the biggest catalyst in Chicago's victory, leading his team with 23 points. Dennis Rodman, who did not start, had a game-high 17 rebounds.

The Bulls had an advantage simply by having all of their best players on the court. The Wizards again were without their top two scorers and rebounders, Webber (strained right shoulder) and Howard (sprained left ankle). But Washington took an early 17-10 lead

and stayed within single digits the entire fourth quarter.

"We probably took their team a little for granted, because they're not healthy," Jordan said. "We thought we could play any kind of style and win and we almost got stung."

But the Wizards didn't have enough to make the Bulls pay for their lapses in execution or concentration. No one was more out of his element than forward Tracy Murray, the team's sixth man forced to start against Pippen. Murray finished with 18 points, but Pippen was simply too long and quick for Murray to defend by himself. The Bulls are 17-4 this season with Pippen.

In other games, The Associated Press reported:

Texas 98, Nets 89 Allen Iverson had 27 points and 12 assists to lead Philadelphia to a rare road victory.

New Jersey, which lost its third straight, announced that recently acquired center Rony Seikaly had a bone contusion in his right foot.

Derrick Coleman scored 10 of his 24 points in the fourth quarter as the Sixers

won for only the sixth time in 25 road games.

Pistons 94, Mavericks 83 Grant Hill, Detroit's star forward, scored just five but Brian Williams scored 19 points. Joe Dumars had 18 and the Pistons won in Dallas anyway.

Hill, averaging 21.3 points per game, made just 2 of 11 field goal attempts in 39 minutes. He had his streak of scoring in double figures stopped at 41.

Jazz 79, Spurs 77 In San Antonio, Monty Williams couldn't get the tying shot off after rookie Tim Duncan missed a chance to tie from the foul line as Utah hung on for its seventh straight victory.

Karl Malone had 24 points and 13 rebounds as the Jazz increased their Midwest Division lead over the Spurs to 1 1/2 games.

Hornets 111, Clippers 96 In Los Angeles, Anthony Mason scored 25 points and helped Charlotte overcome a 19-point deficit and end a three-game losing streak.

Glen Rice had 23 points and David Wesley 21 for the Hornets, who handed the Clippers their sixth straight loss and 18th in 20 tries.



Bulls' Michael Jordan, right, clashing with Wizards' Calbert Cheaney.

SCOREBOARD

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

Team	W	L	Pct	GB
Atlanta	20	12	.625	0
New York	20	12	.625	0
New Jersey	21	11	.656	0
Orlando	22	10	.688	0
Washington	23	9	.719	0
Boston	25	9	.732	0
Philadelphia	17	24	.413	17 1/2

CENTRAL DIVISION

Team	W	L	Pct	GB
Chicago	27	16	.625	0
Indiana	27	16	.625	0
Charlotte	22	22	.500	5 1/2
Cleveland	22	22	.500	5 1/2
Albuquerque	22	26	.455	12 1/2
Detroit	24	29	.450	15 1/2
Toronto	11	42	.208	28 1/2

WESTERN CONFERENCE

PACIFIC DIVISION

Team	W	L	Pct	GB
Utah	27	15	.643	0
San Antonio	26	17	.605	1 1/2
Albuquerque	26	17	.605	1 1/2
Portland	27	16	.625	0
Vancouver	14	24	.366	12 1/2
Dallas	10	44	.182	26 1/2
Denver	10	44	.182	26 1/2

ATLANTIC DIVISION

Team	W	L	Pct	GB
Atlanta	20	12	.625	0
New York	20	12	.625	0
New Jersey	21	11	.656	0
Orlando	22	10	.688	0
Washington	23	9	.719	0
Boston	25	9	.732	0
Philadelphia	17	24	.413	17 1/2

CENTRAL DIVISION

Team	W	L	Pct	GB
Chicago	27	16	.625	0
Indiana	27	16	.625	0
Charlotte	22	22	.500	5 1/2
Cleveland	22	22	.500	5 1/2
Albuquerque	22	26	.455	12 1/2
Detroit	24	29	.450	15 1/2
Toronto	11	42	.208	28 1/2

WESTERN CONFERENCE

PACIFIC DIVISION

Team	W	L	Pct	GB
Utah	27	15	.643	0
San Antonio	26	17	.605	1 1/2
Albuquerque	26	17	.605	1 1/2
Portland	27	16	.625	0
Vancouver	14	24	.366	12 1/2
Dallas	10	44	.182	26 1/2
Denver	10	44	.182	26 1/2

ATLANTIC DIVISION

Team	W	L	Pct	GB
Atlanta	20	12	.625	0
New York	20	12	.625	0
New Jersey	21	11	.656	0
Orlando	22	10	.688	0
Washington	23	9	.719	0
Boston	25	9	.732	0
Philadelphia	17	24	.413	17 1/2

CENTRAL DIVISION

Team	W	L	Pct	GB
Chicago	27	16	.625	0
Indiana	27	16	.625	0
Charlotte	22	22	.500	5 1/2
Cleveland	22	22	.500	5 1/2
Albuquerque	22	26	.455	12 1/2
Detroit	24	29	.450	15 1/2
Toronto	11	42	.208	28 1/2

WESTERN CONFERENCE

PACIFIC DIVISION

Team	W	L	Pct	GB
Utah	27	15	.643	0
San Antonio	26	17	.605	1 1/2
Albuquerque	26	17	.605	1 1/2
Portland	27	16	.625	0
Vancouver	14	24	.366	12 1/2
Dallas	10	44	.182	26 1/2
Denver	10	44	.182	26 1/2

CRICKET

3-DAY MATCHES, 30 DAY AT LUNCH

SUNDAY IN GEORGETOWN, GUYANA

GUAYANA VS. ENGLAND

GUAYANA 184, ENGLAND 104

NEW ZEALAND VS. ZIMBABWE

NEW ZEALAND 411, ZIMBABWE 250

WEST INDIES VS. AUSTRALIA

WEST INDIES 234, AUSTRALIA 104

PAKISTAN VS. BANGLADESH

PAKISTAN 184, BANGLADESH 104

INDIA VS. SRI LANKA

INDIA 234, SRI LANKA 104

AFGHANISTAN VS. BANGLADESH

AFGHANISTAN 184, BANGLADESH 104

PAKISTAN VS. BANGLADESH

PAKISTAN 184, BANGLADESH 104

INDIA VS. SRI LANKA

INDIA 234, SRI LANKA 104

Herald Tribune WINTER OLYMPICS

PAGE 18

MONDAY, FEBRUARY 23, 1998

What Next for the Young Champ?

Savoring the Moment, Lipinski Isn't Looking Ahead — Yet

By Jere Longman
New York Times Service

NAGANO, Japan — Kevin Costner watched her from the stands. The governor of Michigan called to offer congratulations. Even Secretary of State Madeleine Albright called, presumably wanting to talk about salchows instead of Scud. And when Tara Lipinski went to bed Friday night, she clutched her gold medal as if it were a teddy bear.

"I always said I was going to do that when I was young, so I did it," she said.

She had no comment on whether war with Iraq can really be imminent if the secretary of state has enough free time to call a figure skating champion. She had even less comment about her own future. The issue has not yet been discussed, much less decided, Lipinski said.

At 15, Lipinski is the youngest person to win an Olympic figure skating title. The silver medalist, Michelle Kwan, is but 17. The question becomes: What happens next?

Do they continue toward the 2002 Winter Games in Salt Lake City? Do they walk away, retiring from rigorous Olympic-style skating because it extracts such a mental and physical toll? Will college or other interests intervene? Will Lipinski be only the third woman to repeat as Olympic champion? Is she the teen-age equivalent of Tom Buchanan in "The Great Gatsby" — someone who has accomplished so much at an early age that the rest of her life will "savor of anticlimax"?

"It would be sad for them and sad for the sport if they walk away prematurely," said Sally-Anne Stapleford of Britain, who refereed the women's competition and runs the International Skating Union's technical committee. "They have so much potential and they are so young. It would be sad if they looked back in 10 years in regret and said, 'What if I had stayed in?'"

Only Sonja Henie of Norway and Katarina Witt of the former East Germany have attempted to repeat as women's Olympic champions. Henie won three times and Witt twice. But as the champions get younger and younger, and the jumps become more numerous and difficult, Olympic careers seem to be growing shorter and shorter.

"You're still in shock," Lipinski

said Saturday of her victory. "It's like a dream."

She is not ready to stop dreaming. Not even long enough to say whether she will attend next month's world championships in Minneapolis.

Now that the competition strategy is finished, the marketing strategy begins. If she loses to Kwan at the worlds, she might risk losing some of the luster of her Olympic victory.

Of the 2002 Winter Games, Lipinski said: "I don't want to think about that. It's four years away. This is my time to enjoy it and have fun."

As her agent, Mike Burg, sees it, Lipinski's choice will be made by her life's twists and turns in the next few years. She is already a millionaire, and the same lucrative money is available to Olympic-style skaters as to so-called professional skaters. So Lipinski must decide whether she wants to continue with the strenuous training and difficult jumping required at the Olympic level.



Tara Lipinski hitching a ride with an unidentified fellow athlete at the closing ceremonies in Nagano.

"It's tough on the body and the mind," Burg said. "Do you want that lifestyle or do you want a performing, entertaining lifestyle?"

In some capacity, however, Lipinski is certain to continue skating, Burg said. "If she was the queen of England, she'd probably skate four hours a day."

His most immediate concern, he said, is approaching endorsement opportunities in a discreet manner and avoiding the mistakes of recent Olympic medalists.

Oksana Baiul of Ukraine, the 1994 Olympic champion, proved unable to handle sudden fame and wealth at age 16; her professional career stumbled and her reputation suffered when she was arrested in an alcohol-related driving incident. Nancy Kerrigan, the 1994 silver medalist, skated courageously after being attacked by associates of Tonya Harding, but her sharp tongue also tarnished her reputation.

"We said, Let's do the right thing," Burg said. "We've seen some bad moves made by some big-name skaters. Tara has seen those mistakes. She knows them. She's not going to make them."

A women's figure skating gold medal has an estimated career worth of \$10 million to \$15 million. Lipinski now has endorsement deals with DKNY kids line, Chevrolet, Minute Maid, Mattel's skating Barbie doll and Campbell's soup.

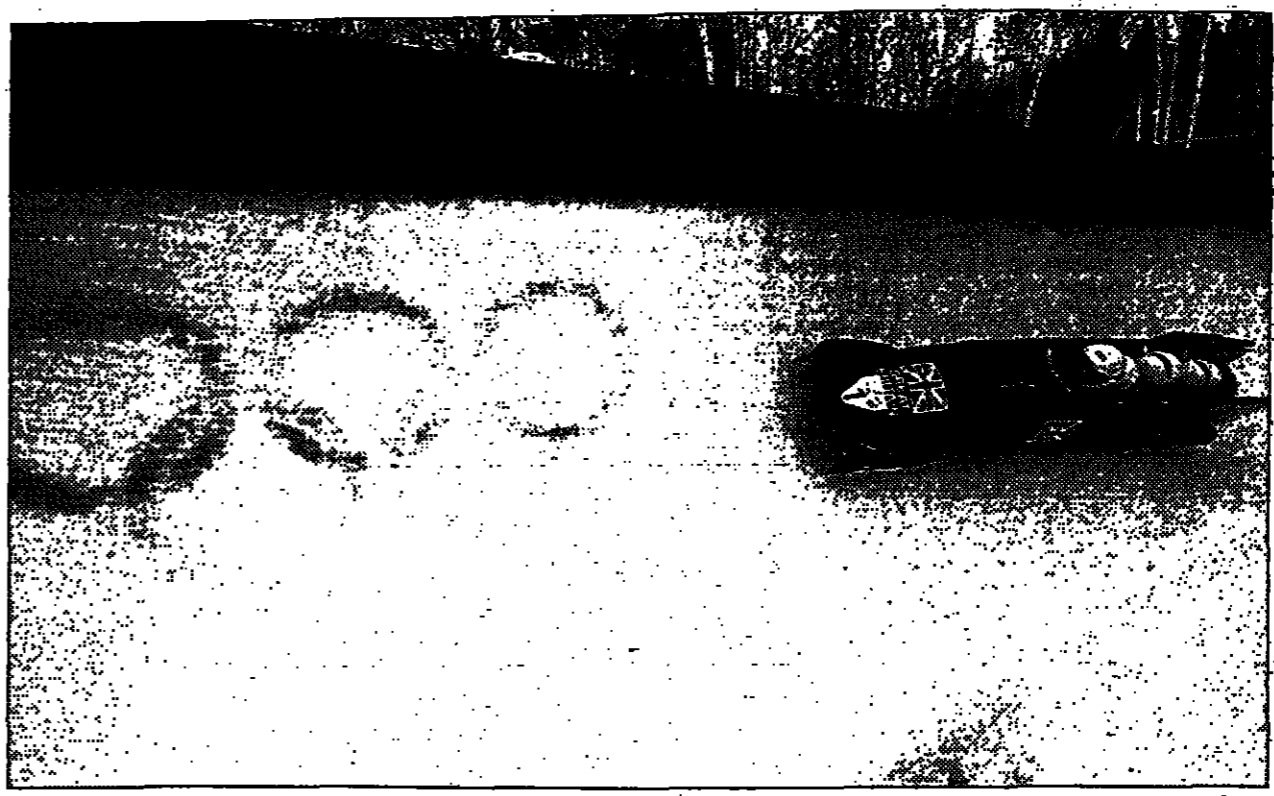
"I think she's one of the more marketable female athletes in the world right now," Burg said.

Because Lipinski and Kwan are such appealing role models, he added, endorsement deals featuring both athletes are "not a half-bad idea."

Kwan is expected to attend the world championships, and she suggested that she would try to compete in the Salt Lake Games. But she did not seem as definite Saturday as she had sounded Friday.

"I'm going to take one thing at a time," she said, adding that she might give up skating if she decides to attend college full time. She has talked with her coach, Frank Carroll, and has taken inspiration from the career of Carol Heiss-Jenkins. After finishing second at the 1956 Winter Games, Heiss-Jenkins won the ensuing world championship and took the gold medal at the 1960 Games.

"He believes I can do it and fight back," Kwan said of Carroll. "There's no guarantee I'll move one step forward in 2002," she added. "I know that. I'm willing, hopefully, to take that chance."



Sean Olsson piloting the British I bobsled to third place. Christopher Langen drove the German 2 sled to first.

U.K. Shares Bronze for Its Sole Medal

By Amy Shipley
Washington Post Service

NAGANO, Japan — In the finish area of the Olympic bobsled course, members of Britain's bobsled team took swigs of vintage Champagne straight from the bottle as they celebrated the bronze medal they shared Saturday with the French in the four-man bobsled event.

Oblivious of the British, a coach of the French team hopped around gleefully in nothing but a black floppy hat, black Calvin Klein briefs, black boots and an Olympic Games credential.

Brian Shimer, the U.S. bobsled driver, meanwhile, talked quietly in another corner of the finish area. He missed

partaking in this medal celebration by 0.02 second. In his fourth Games, Shimer, 35, failed for the fourth time to win an Olympic medal, finishing fifth Saturday.

Bobsled

Friday. Because there was a tie for third, there was no fourth place team.

"He has always had so much misfortune," said Dean Ward, the British pusher, of Shimer. "You can't even blink faster than two-hundredths of a second."

Shimer said, "Two hundredths is two minutes if it's for fifth place."

His team posted a time of 2 minutes, 40.08 seconds for three runs Saturday and

Friday. The German team driven by Christopher Langen won the gold with a combined time of 2:39.41, and the Swiss sled driven by Marcel Rohner captured the silver in 2:40.01. Sean Olsson of Britain and Bruno Mingeon of France drove their sleds to 2:40.06 finishes.

Shimer said he thought he had led a strong final run, so he was shocked when he saw his time of 53.73 seconds — the slowest of the team's three runs.

Shimer's sled had the fastest time at each of the six track intervals — except for the last one.

"I thought we had lost it," said Olsson, whose finish gave Britain its only medal of these Olympics. "They must have had a nightmare at the bottom."

GAMES: These Olympics Featured Bad Weather and Good People

Continued from Page 1

cream parlors handed out small toys with purchases of chocolate cones.

Elaborate efforts were made to return lost gloves and cameras and money.

Volunteers were courteous, huge traffic jams never materialized as feared and the organization was impeccable. In contrast to the 1996 Summer Games in Atlanta, at these Games the buses were reliable and the computer system was dependable.

"Congratulations, Nagano and Japan," Juan Antonio Samaranch, president of the International Olympic Committee, said at the closing ceremonies Sunday. "You have presented to the world the best organization in the history of the Winter Games."

In that spirit of friendship and cooperation, the room-trashing behavior of the American men's hockey team after its failed performance here seemed especially embarrassing to many other Olympians.

"The Japanese people are so honest," said Cammi Granato, captain of the U.S. women's gold-medal winning hockey team, whose brother, Robbie, had a lost camera returned. "They don't steal and they have a lot of respect for people's things. We had been here long enough to understand how much they respect other people's belongings."

The men's hockey players seemed to take the Olympic tournament more as a semester break than a legitimate competition.

Many of their wrist shots were apparently swallowed in bars instead of fired on the net. Unable to catch Swedes and Canadians to knock around on the larger ice surface, they resorted to knocking around the furniture.

Meanwhile, the American public seemed to lose interest in the final Winter Games of the 20th century, in part because of CBS's lackluster coverage.

The Winter and Summer Games cannot afford to have declining interest in the United States, which sustains the Olympic movement with television fees

and corporate sponsorships. It is a comfort to international Olympic officials that the next Winter Games will be held in Salt Lake City in 2002.

Still, the American public's relative lack of enthusiasm for these Games raises the question of whether the Olympics have somehow been devalued under a staggered schedule of a Winter or Summer Games every two years. It did not help that organizers did what has generally been considered a poor job of promoting the Games beforehand.

"I don't think it's a matter of devaluing at all," said John Krimsky, a marketing official for the U.S. Olympic Committee said. "I think we're at a crossroads. We've got to make some interesting and hard decisions as we move forward."

The Olympics are essentially a made-for-television event. According to Krimsky, only one in 100,000 of those who watch the Games see them in person. Thus the ability of television to hold the audience's attention is critical.

And that becomes more of a challenge with the growing sophistication of the Internet, where results were instantly available, leaving people less dependent on television for news. According to Nagano organizers, 620 million hits were made on the Nagano website during the Games, tremendous growth from the 87 million hits made on the Atlanta website during the 1996 Summer Games.

While the U.S. market was down, viewership was up in other places. According to the International Olympic Committee, viewership in Canada was up 5 percent over Lillehammer, Australia was up 30 percent and Eurosport, the European equivalent of ESPN, was up 25 percent. Viewership in Japan was up 50 percent as Japanese athletes won five gold medals, two more than they had won in all previous Winter Games combined.

Some of the Games' most stirring moments were provided by the Japanese. Hiroyasu Shimizu won the men's

500-meter speed-skating event under great pressure to produce his country's first gold of the Games, then said he had trouble distinguishing his dream about victory from reality itself. "I would like to thank my father in Heaven," he said, adding that without parental pressure he would not have entered the sport.

When Masahiko Harada of Japan won a gold medal in team ski jumping after faltering on his final jump four years ago, he sobbed so hard that he could not speak to television interviewers. After he and his teammate Kazuyoshi Funaki won medals in the large hill individual competition, they sprinted down a gangplank at the victory ceremony and tossed bouquets as if to 10,000 bridesmaids.

The most arresting moment of the Games came when Hermann Maier of Austria became a poster boy for the agony of defeat with his spectacular crash during the men's downhill. Undeterred, the "Herminator" recovered to win gold medals in the super-G and giant slalom. Katja Seizinger of Germany became the first woman to win the downhill in successive Olympics. And Dahlia, the Norwegian cross-country skier, won three gold medals here, giving him a record of eight in the Winter Games.

Women won four of the six gold medals taken by Americans. Tara Lipinski had fun from beginning to end, living in the village, becoming the youngest skater to win a gold medal and experiencing the closing ceremonies while riding atop someone's shoulders.

Following gold medals in Atlanta in basketball, soccer and softball, the Americans won the inaugural women's Olympic hockey tournament. Women's bobsled, ski jumping and doubles luge are being considered for additions to the schedule in Salt Lake City.

"It's a huge boost for confidence," said Karyn Bye of the hockey team. "So many girls grow up without a good self image. I think by having success in the Olympics, it gives a lot of girls something to look forward to."

Good Sports: Can Women Save the Day?

New York Times Service

NEW YORK — Late in the third period, when she saw Tara Lipinski slam the Canadian into the boards, Arlene Gorton nearly choked on her breakfast bagel. Her first thought was pure coach-think: "Dumb penalty." But sitting at home in Providence, Rhode Island, she already knew the final score, so her second thought was more academically sociological: "This is the final public knell of the artificial construct of what is masculine and feminine in sports."

That same morning, in Menlo Park, California, Amy Love, who had carefully avoided hearing the result in the Olympic hockey game so she could enjoy the drama, shuddered as the Canadians scored on a power play. Could they possibly rally in the final minutes, which might affect Love's business plans? Love's biggest thrill so far in the broadcast had been a commentator's remark that the game was "great entertainment" regardless of the players' gender. She interpreted that to mean, "Women's sports is here."

No kidding. These were warriors, hard-charging competitors who came to win, not just play. And something about their sport — cold, difficult, brutal and artistic — made their gold medals even more symbolic than the ones in 1996 won in soccer, softball and basketball. Ice hockey, after all, would seem to be a stereotypical male sport. And the women last week mostly played the game the way the very best men do, with more finesse than thuggery.

So now what? "It's just the start; this will inwashroom across the country," said Love, who is 31 and trying to start a periodical called "Real Sports" that may or may not have "women in sports" under the title on the cover. The focus groups have yet to come in with the verdict.

"Women want to get involved in the drama of competition, they want athleticism, intensity, all of it," she said.

Gorton, the 66-year-old associate athletic director at Brown University, is not quite sure how it will play out. "I think it will open the floodgates, more women's hockey, more women's team sports," she said. "But will they follow the traditional male model, the commercialism, the so-called Dream Teams, the need to win as the only affirmation? Or will what is still pure here, the amateurism, the love of the process, not only remain but have some effect on all mainstream sport?"

WOMEN'S sports have been at crossroads before, although never with the stakes and the interest so high (witness the new line of Barbie dolls in WNBA uniforms). The choice of roads taken have often been made by the men who control collegiate and pro sports, the Olympics, television and advertising agencies, but the pressure to make those choices has always come from generations of women elbowing and knocking their way onto the playing field and struggling to make it

Vantage Point/ROBERT LIPSTEY

level. The passage of legislation in 1972 mandating equality in federally supported education, including sports, has been an important, although frequently flouted, lever.

The story of the ice hockey victory, however, predates Title IX. In 1964, Pembroke, then the women's college of Brown, formed the country's first female intercollegiate ice hockey team. The Pembroke Pandas played mostly Canadian college teams.

"They wore figure skates with the picks broken off and modified boys' junior and pee-wee uniforms," Gorton said. "We had to sell chocolate bars and hot dogs at other athletic events to raise the money to go on the road. And it was wonderful because the women so believed in what they were doing. They had such idealism and hope and love for each other."

"I felt so emotional watching the Olympics because I saw some of that still there, and certainly in magnificent contrast to the men's team, the pampered pros, the created image of a Dream Team brought together by money."

Love was a beneficiary of Title IX, yet she still had to fight to make it work for her. As a 9-year-old in Danville, California, she was kept off Contra Costa County's all-star team because the California Youth Soccer Association decreed such elite competition for boys only.

Young Amy declared, "I think God made people even," and went to court. She eventually won her case, but at some cost.

"Some of the other mothers wouldn't talk to my mom," she recalled. "Some said we ruined soccer in Danville, but we built it up! I got to play for the all-stars, and 13 other girls who wanted to play soccer but didn't bring a lawsuit got to play, too. And next year there will be new leagues for girls; over 200 already signed up."

Love's college and pro dreams were ended by a knee injury, but she thinks that her business life, which includes a Harvard master's degree and a Procter & Gamble Co. vice presidency at 29, has been made possible by playing on teams, by learning about pressure and performance and getting along with people in sports. Just the way that boys always did.

Amateur sports as springboard to professional sports or to corporate competition has been taken for granted by American men for generations; now that it is just beginning to offer some lift to women, there is increased debate over the value of sports.

A new generation of gladiator is slipping on spikes and sneakers. Will they recapitulate the male model?

For starters, the women are not bringing their support staff with them.

Before Title IX, most women's teams were coached by women. Now, less than half are coached by women. The

coach of that Olympic champion women's hockey team was a man.

"There might be true equality today," said Jack Scott, a longtime Olympic trainer, "if women's sports had gotten their fair share of the pie before they were absorbed into the NCAA, back when they were still run by women."

The image of the joy and tears that melted hearts and ice at Big Hat Arena after the American women defeated Canada, 3-1, will be around for a long time, perhaps even longer than the biggest question it raised: Are women truly the new irresistible force in sports or are they being allowed in to replace what's been lost — morality and passion?

Without those strands of decency and honest emotion, the games will not flourish, the fans will not tune in, the swoosh will wither and die.

"I wish I could answer that question," said Gorton, who will retire from Brown this year after 36 years as a student and professor. "The opportunity is there, the potential is there, and if sports doesn't change I think it will just run itself into the ground; people will lose interest."

"Can women change it? The cynic would say, 'Well, you girls needed a big win on TV, so what else is new?' The battle is not won. But it's been thrilling."

THE LANDSCAPE is filling with new gladiators — from Tennessee's undefeated, aggressive women's basketball team to the first all-female crew in the grueling Whitbread Round the World yacht race.

Can women change sports before it changes them?

One of the most consistently provocative voices in the field, the author and former pro basketball player Mariah Burton Nelson, argues that women do not have to accept what she calls the "conqueror's way" of victory by domination, by humiliating an opponent through in-your-face confrontation. Women, she writes in her new book, "Embracing Victory: Life Lessons in Competition and Compassion," can find joy in winning through the "champion's way," in which an opponent becomes a partner in a hard but cleanly played dance.

Sounds great. But the role models out there have been men. Tara Mounsey's two minutes in the penalty box led to a Canadian power-play goal that ultimately didn't matter, a great relief to Love. But Arlene Gorton, the purist, was not amused, especially after Mounsey said that her coach had told her to "get in their faces," and she had.

Gorton finally decided that she didn't want to put a male or female spin on that hard check. Eating breakfast back in Providence, she had her third thought:

"I said to myself, 'That's just Tara.'"



Chun Lee Kyung of South Korea at the finish line.

Japan Skater Hits Gold, But Seoul Holds Its Lead

The Associated Press

NAGANO, Japan — Japan celebrated its first gold medal in short-track speed skating when Takafumi Nishitani won the 500 meters Saturday and promptly led more than 7,000 people at the White Ring in a "Banzai" cheer.

An Yulong of China won the silver, and Hitoshi

Short-Track

Uematsu of Japan took the bronze.

South Korea put a stamp on its dominance with three more medals, giving it six for the Nagano Games — three gold — and 15 in the short history of short track.

Chun Lee Kyung won a thrilling finish in the 1,000 meters.

Side by side with world champion Yang Yang A of China, Chun stuck her foot out at the line and manager to

win by the length of a skate blade.

Yang was disqualified for locking arms with Chun, so the silver medal went to Yang Yang S, another Chinese skater. Won Hye Kyung of South Korea won the bronze.

Canada won the men's 5,000-meter relay for its second short-track gold medal of the Games, taking advantage of falls by the other teams.

Italy went down first and wound up fourth, while a tumble by a Chinese skater took out South Korea.

The South Koreans bounced back to capture silver, and China settled for the bronze.

China won a medal in every event, the only country to accomplish that feat, but it failed to win a gold.

"Luck was not on our side," An said.

WINTER OLYMPICS

Next Stop
For Games:
The Slopes
Of Utah

The Associated Press
NAGANO, Japan — Sayonara and well done, Nagano. It's your show now, Salt Lake City.

The Winter Olympics ended 16 days of competition Sunday.

These Games move from Asia to America in 2002, and for Utah it will be the culmination of a quest that began in 1966. Salt Lake lost bids to Sapporo, Japan, for the 1972 games; Innsbruck, Austria, for 1976; and Nagano for 1998. The Nagano decision in 1991 was the toughest, because the International Olympic Committee vote was close, 46 to 42. Salt Lake applied again six years later for the 2002 Games and this time succeeded on an unprecedented first ballot. It will be the first Winter Games for the United States since Lake Placid, New York, in 1980.

A delegation from Utah traveled to all the venues in Nagano for the last three weeks, taking notes and preparing for an expected invasion of 3,500 athletes, coaches and trainers and 10,000 media representatives for the next Winter Games, Feb. 8-24, 2002.

What they saw was a well-run Olympics with none of the transportation or technological glitches that dogged the Summer Games in Atlanta in 1996. They were suitably impressed.

Frank Joklik, president and chief executive of the Salt Lake Olympic Committee, said his group had learned much from these games.

"The infrastructure and services have all been planned out in great detail," he said. "The most important thing to take home is the need for flexibility in planning. The Nagano organizing committee saw the need for that and has coped with the constant changing of events."

Weather caused frequent postponements but never unfurled the Japanese planners, who shrugged off excessive snow, sleet, fog, rain and even a minor earthquake to carry out the games.

"I've been very surprised how well everything has been handled in light of the changing schedule," Joklik said.

Matching that will be Salt Lake's goal, and Joklik said his city is prepared to meet it. "The next four years will be a very challenging time that will pass very quickly," he said.

For as long as Salt Lake has waited for this event, the city hopes Joklik is right. The Games are expected to generate \$2 billion in economic activity for Utah, including \$108 million in state and local tax revenues.

Salt Lake City promises Games that will be convenient and cost-conscious. All of the sports venues will be located between 10 and 60 minutes' drive from the Olympic Village, which will be on the campus of the University of Utah, where new dorms will be constructed to house athletes.

The city's budget for the games is \$920 million, compared with more than \$2 billion for Nagano. NBC paid \$45 million for U.S. TV rights, compared with \$75 million CBS paid for Nagano.

Thirty-three percent of the Salt Lake budget, more than \$300 million, is for sports venues, the Olympic Village and stadium construction. Nagano's construction costs reached \$693 million.

"We won't have a tax increase in Salt Lake City," Mayor Deedee Corradini said. "We are not sure yet how to pay for what some things might cost, but that will be determined later."



Hans-Petter Buraas of Norway skirting a gate during his first run in the slalom. He went on to win a gold medal.

A Rising Star Adds Splash of Color

By Christopher Clarey
New York Times Service

YAMANOUCHI, Japan — The table was set, and the Emperor and Empress of Japan were seated.

They had come to the final ski race of these weather-plagued Olympic Games to get a glimpse of the local hero, Kiminobu Kimura, and the global hero, Alberto Tomba, who has sold almost as many ski racks and ski jackets in Japan as he has in Italy.

"They love me here," Tomba said. But affection and purchasing power do not translate into Alpine medals, and neither Tomba nor Kimura, the best Japanese slalom skier in 30 years, would reward the royal family's curiosity Saturday.

Kimura would finish 13th overall. Tomba, looking very much like a 31-year-old on the decline, finished 17th in the first run and declined to ski the second, citing a sore lower back, hip and groin. He did not mention a sore ego.

After winning gold, silver and silver in the slalom in the last three Olympics, Tomba watched the medals go elsewhere on this snowy day on Mount Yakebitai.

The surprising news was that the winner was every bit as flamboyant as Tomba. The gold medalist, Hans-Petter Buraas of Norway, has changed hair color seven times this season and arrived in Nagano with bright red locks because red is one of the colors on the Japanese flag. In truth, his Olympic hairdo looked more like a tribute to

Raggy Andy or Ronald McDonald than to the host nation.

Buraas, who is 22 and in his first full season on the World Cup circuit, had never won a race until Saturday, after finishing in the top four in each of the slaloms leading up to these Olympics, he peaked at the perfect time, with a combined time of 1 minute, 49.31 seconds.

"I broke a ski up on my first run," said Buraas, who finished second in that run. "In the second, I just gave it everything."

The silver went to Buraas's veteran teammate Ole Christian Furuseth, whose time of 1:50.64 proved that not all 31-year-old skiers are too old to win a medal in the Olympics. The bronze went to the first-run leader, Thomas Sykora of Austria, who finished in 1:50.68.

Norway's Dahlie Storms to His 8th Gold

By Robert Millward
The Associated Press

HAKUBA, Japan — In the longest, toughest and last race of the Nagano Games, Bjorn Dahlie showed why he is the greatest cross-country skier of his time with one more come-from-behind victory.

Already a two-time winner here, Dahlie pushed himself to victory in the

CROSS-COUNTRY SKIING

50-kilometer event Sunday and won his eighth career gold medal.

Steadily pulling through the leaders until he reached the front with around eight kilometers to go, the Norwegian collapsed at the finish line to win in 2 hours, 5 minutes, 8.2 seconds.

When he was hauled to his feet a few minutes later, Dahlie had to be supported by a Norwegian team official as he struggled to regain his breath and his body started to recover.

"It took me my hardest race ever," he said. "Before the race, I didn't believe in a medal at all. Mentally, I was finished with these Olympics. I was quite tired."

"But then, in the second stage of the race I saw that my time was good and I thought that perhaps I could get a medal. In the last two or three kilometers I was completely exhausted."

The victory gave Dahlie his 12th career medal. No Winter Games athlete

has won more and now he has to decide whether to aim at Salt Lake City in four years time, when he will be 34.

"Right now I feel I have finished my ski career. I've no motivation," he said. "I will talk things over with my family and decide in the spring what to do."

Dahlie won three gold medals at Albertville in 1992 and two at Lillehammer in 1994. He won the 10K classical here and was part of Norway's triumphant 40K relay, making up a 12.6-second deficit on his leg.

The overall Olympic record for gold medals is nine, shared by Carl Lewis, Paavo Nurmi, Larisa Latynina and Mark Spitz.

Latynina, a former Soviet gymnast,

holds the record for most Olympic medals with 18.

Dahlie's winning margin was 8.1 seconds ahead of Sweden's Niklas Jonsson, who also was sprawled at the finish line when Dahlie came across. The two seemed to exchange a few words of congratulations as they lay side by side in the snow.

The bronze medal went to Christian Hoffmann of Austria, whom Dahlie overhauled in the closing stages. After leading the Norwegian by two-tenths of a second at the 41.9K stage, Hoffmann came home 53.6 seconds behind.

The 50K is the ultimate cross-country test of stamina and strategy, and Dahlie got it just right.



Bjorn Dahlie of Norway after collapsing at the finish line of the 50K event.

Tomba's Final Outing
In Olympian Career?

Italian Skier Says He'll Be Tourist in 2002

By Christopher Clarey
New York Times Service

YAMANOUCHI, Japan — He wanted to go out a winner, or at the very least, a medalist. Alberto Tomba did not do either in Japan.

In fact, the world's most recognizable Alpine skier did not even finish a race in these Olympics. The Italian, 31, was disqualified in the giant slalom, skidding out early in the first run. He then disqualified himself in the slalom Saturday, bowing out after finishing 17th in the first run because of pain in his lower back and groin that he said was a result of his fall.

If this was truly Tomba's final Olympic race, it was an anticlimactic finish to a spectacular career. After winning two gold medals in Calgary, Alberta, in 1988, a gold and silver in Albertville, France ("Albertville," he called it), in 1992 and another silver in Lillehammer, Norway, in 1994, he seriously considered retirement. But for a variety of reasons, including his deeply competitive nature and pressure from his father and his agents, Tomba continued dodging gates and the paparazzi.

But since achieving his last major up- realized goal in 1996 in the Sierra Nevada in Spain, by sweeping the slalom and giant slalom in the world championships, he has won only two races. Though he prepared very professionally for this final Olympic season, dropping pounds and adding muscle, an Italian government tax investigation of him and his family has proved a major distraction.

On Saturday, he started sixth in the first run on the sort of steep and taxing slope in which he specializes. But Tomba, famous for his aggressive, muscular style, would ski far too conservatively. His run had no brio, no slash. He would finish almost two seconds behind Thomas Sykora, the first-run leader.

The question remains whether Tomba will now stop altogether.

Despite his tendency to send conflicting signals, he certainly does not intend to ski in another Games. "I will be at the 2002 Olympics in Salt Lake City as a tourist," he said.

He did not choose to elaborate. Instead, he returned to his hotel and made plans to fly home to Italy on Sunday. He will not compete in the World Cup races in Yong Pyong, South Korea, early next month, but he is still planning to compete in the World Cup finals in Crans Montana, Switzerland, March 11-15.

Tomba is second to Ingemar Stenmark in career World Cup victories among men, but he no longer enjoys competing regularly. He finds the circuit unprogressive and finds the con-

stant weather problems and scheduling changes increasingly irritating.

"I love this sport but not at the moment," he said before the Games. "It's changed, these rules. I don't like the World Cup anymore. I want the World Cup to be for the fans. Maybe after 2000 when Tomba has stopped to ski they can change something with this World Cup."

There are two reasons Tomba might not retire after Crans Montana.

First, he does not want to leave the sport a loser. "I want to stop skiing when they can remember me being on the top," he said recently.

The second reason is financial. Italian authorities have been investigating him and some of his former advisers for tax evasion since last summer and are reportedly nearing a judgment. If the amount of any fine were to total in the tens of millions of dollars, Tomba might be obliged to try to maintain his guaranteed earning power on the slopes.

For financial reasons, I think Alberto's father Franco will want him to continue skiing for a while," said a source who works with Tomba and asked not to be named. "But I think other people will be able to convince him that the time has come to stop."

If and when Tomba does announce his retirement, he knows how he wants to be remembered: "Was good guy. Won everything. Was extroverted. Had to be extroverted to win the race."



Alberto Tomba did not get a medal.

German Biathletes Unite to Shine in Relay

The Associated Press

NOZAWA OSEN, Japan — Alone they faltered. Together they reasserted German biathlon power as the shoot-and-ski biathlon climaxed Saturday at the Olympic Games with Germany capturing the men's 30-kilometer relay.

No German finished higher than sixth in individual events at Nagano, but as a team they took their third straight Olympic relay gold. Norway won the silver, and Germany's arch-rival, Russia, secured bronze.

The German team contained three of the four biathletes who won the gold at Lillehammer, Norway, four years ago. It finished in 1 hour, 21 minutes and 36.2 seconds. Norway was clocked at 1:21:56.3 and Russia at 1:22:19.3.

Veteran Ricco Gross, who won his fifth Olympic medal, started strongly. Peter Sendi shot 10-for-10 and skied the fastest leg of the day. Sven Fischer put Germany 1:10 ahead of the nearest challenger. Then it was anchor Frank Luck's turn.

Luck needed three extra shots at the firing line, allowing the Norwegians, who had moved from sixth place to second, to close in.

gold at Lillehammer, Norway, four years ago. It finished in 1 hour, 21 minutes and 36.2 seconds. Norway was clocked at 1:21:56.3 and Russia at 1:22:19.3.

Veteran Ricco Gross, who won his fifth Olympic medal, started strongly. Peter Sendi shot 10-for-10 and skied the fastest leg of the day. Sven Fischer put Germany 1:10 ahead of the nearest challenger. Then it was anchor Frank Luck's turn.

Luck needed three extra shots at the firing line, allowing the Norwegians, who had moved from sixth place to second, to close in.

OLYMPIC SCOREBOARD

ALPINE SKIING

MEN'S SLALOM

1. Hans-Petter Buraas, Norway, 1:49.21.
2. Ole Christian Furuseth, Norway, 1:50.64.
3. Thomas Sykora, Austria, 1:50.68.

4. Thomas Sykora, Austria, 1:50.68.
5. Thomas Sykora, Austria, 1:50.68.
6. Thomas Sykora, Austria, 1:50.68.

7. Thomas Sykora, Austria, 1:50.68.
8. Thomas Sykora, Austria, 1:50.68.
9. Thomas Sykora, Austria, 1:50.68.

10. Thomas Sykora, Austria, 1:50.68.
11. Thomas Sykora, Austria, 1:50.68.
12. Thomas Sykora, Austria, 1:50.68.

13. Thomas Sykora, Austria, 1:50.68.
14. Thomas Sykora, Austria, 1:50.68.
15. Thomas Sykora, Austria, 1:50.68.

16. Thomas Sykora, Austria, 1:50.68.
17. Thomas Sykora, Austria, 1:50.68.
18. Thomas Sykora, Austria, 1:50.68.

19. Thomas Sykora, Austria, 1:50.68.
20. Thomas Sykora, Austria, 1:50.68.
21. Thomas Sykora, Austria, 1:50.68.

22. Thomas Sykora, Austria, 1:50.68.
23. Thomas Sykora, Austria, 1:50.68.
24. Thomas Sykora, Austria, 1:50.68.

25. Thomas Sykora, Austria, 1:50.68.
26. Thomas Sykora, Austria, 1:50.68.
27. Thomas Sykora, Austria, 1:50.68.

28. Thomas Sykora, Austria, 1:50.68.
29. Thomas Sykora, Austria, 1:50.68.
30. Thomas Sykora, Austria, 1:50.68.

31. Thomas Sykora, Austria, 1:50.68.
32. Thomas Sykora, Austria, 1:50.68.
33. Thomas Sykora, Austria, 1:50.68.

BIATHLON

MEN'S 20 KM RELAY

1. Germany (Ricco Gross, Peter Sendi, Sven Fischer, Frank Luck), 1:21:36.2 (0).
2. Norway (Egil Gjovik, Håvard Hanestad, Dag Bjørndal, Ole Bjørndal), 1:22:04.3 (0).

3. Russia (Sergei Novikov, Vladimir Drachov, Pavel Torsakov, Viktor Maigurov), 1:22:04.3 (0).
4. Belarus (Aleksandr Alimov, Oleg Ryzhenko, Aleksandr Popov, Vadim Slizhenko), 1:22:14.0 (0).

5. Poland (Wladyslaw Zemanowicz, Tomasz Skarzynski, Zdzislaw Wlodarczyk, Krzysztof Wlodarczyk), 1:22:14.0 (0).
6. Latvia (Olegs Malahins, Ilmars Bricis, Gundars Upenietis, Jakobs Nakumins), 1:24:24.4 (2).
7. France (Andreas Hestmark, Thomas Duthen, Thomas Duthen, Thomas Duthen), 1:24:24.4 (2).

8. Germany (Harald Cundy, Torsten Voss, Steffen Gossman, Alexander Schlegel), 1:25:01.4 (2).
9. Canada (Pascal Lacouture, Pierre Dutilleul, Patrick Fournier, Patrick Fournier), 1:25:01.4 (2).
10. Sweden (Andreas Lindberg, Jonas Eriksson, Torbjorn Eriksson, Fredrik Kneip), 1:25:01.4 (2).

11. Austria (Wolfgang Perner, Ludwig Greider, Reinhold Neuner, Wolfgang Rothemann), 1:25:01.4 (2).
12. Slovenia (Aleksander Godec, Jaka Piskur, Jaka Piskur, Jaka Piskur), 1:25:01.4 (2).
13. Estonia (Pavel Pospelov, Pavel Pospelov, Pavel Pospelov, Pavel Pospelov), 1:25:01.4 (2).

14. Czech Republic (Petr Gorbatis, Zdenek Vitek, Jiri Holubec, Ivan Altmann), 1:26:35.3 (0).
15. Japan (Koji Uemura, Shigeo Morita, Shigeo Morita, Shigeo Morita), 1:27:57.7 (0).
16. Kazakhstan (Olimbek Dymlyk, Dymlyk Dymlyk, Dymlyk Dymlyk, Dymlyk Dymlyk), 1:27:57.7 (0).

17. United States (Jeff Krumpholtz, Jeff Krumpholtz, Jeff Krumpholtz, Jeff Krumpholtz), 1:27:57.7 (0).
18. Austria (Oscar Einarsson, Oscar Einarsson, Oscar Einarsson, Oscar Einarsson), 1:27:57.7 (0).
19. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).

20. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
21. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
22. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).

23. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
24. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
25. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).

26. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
27. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
28. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).

29. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
30. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).
31. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 1:27:57.7 (0).

BOBLED

FOUR-MAN BOBBLED

1. Germany (Christoph Langner, Markus Ziemann, Marco Jaksch, Axel Hempel), 2:39.1.
2. Switzerland (Urs Oswald, Markus Marmann, Markus Marmann, Markus Marmann), 2:40.1.

3. Britain (Sean Olsson, Dean Ward, Courtney Rumbolt, Paul Almond), 2:40.6.
4. France (Bruno Audebert, Emmanuel Heuchette, Eric Le Chanony, Max Roberti), 2:40.6.

5. United States (Brian Shantz, Nathan Alton, Randy Janice, Gerni Haezel), 2:40.6.
6. Latvia (Andris Eklins, Andris Eklins, Andris Eklins, Andris Eklins), 2:40.6.
7. Switzerland (Christian Heitsch, Steve Anderjaska, Thomas Heitsch, Cedric Gerni), 2:40.6.

8. Germany (Harald Cundy, Torsten Voss, Steffen Gossman, Alexander Schlegel), 2:40.6.
9. Canada (Pascal Lacouture, Pierre Dutilleul, Patrick Fournier, Patrick Fournier), 2:40.6.
10. Sweden (Andreas Lindberg, Jonas Eriksson, Torbjorn Eriksson, Fredrik Kneip), 2:40.6.

11. Austria (Wolfgang Perner, Ludwig Greider, Reinhold Neuner, Wolfgang Rothemann), 2:40.6.
12. Slovenia (Aleksander Godec, Jaka Piskur, Jaka Piskur, Jaka Piskur), 2:40.6.
13. Estonia (Pavel Pospelov, Pavel Pospelov, Pavel Pospelov, Pavel Pospelov), 2:40.6.

14. Czech Republic (Petr Gorbatis, Zdenek Vitek, Jiri Holubec, Ivan Altmann), 2:40.6.
15. Japan (Koji Uemura, Shigeo Morita, Shigeo Morita, Shigeo Morita), 2:40.6.
16. Kazakhstan (Olimbek Dymlyk, Dymlyk Dymlyk, Dymlyk Dymlyk, Dymlyk Dymlyk), 2:40.6.

17. United States (Jeff Krumpholtz, Jeff Krumpholtz, Jeff Krumpholtz, Jeff Krumpholtz), 2:40.6.
18. Austria (Oscar Einarsson, Oscar Einarsson, Oscar Einarsson, Oscar Einarsson), 2:40.6.
19. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.

20. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
21. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
22. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.

23. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
24. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
25. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.

26. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
27. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
28. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.

29. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
30. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.
31. Switzerland (Christoph Zurborn, Christoph Zurborn, Christoph Zurborn, Christoph Zurborn), 2:40.6.

CROSS COUNTRY

MEN'S 50 KM

1. Bjorn Dahlie, Norway, 2:05:42.
2. Niklas Jonsson, Sweden, 2:05:42.

3. Christian Hoffmann, Austria, 2:06:01.8.
4. Alexander Petukhov, Russia, 2:06:01.8.
5. Fyodor Volobuev, Italy, 2:06:01.8.
6. Thomas Almgren, Norway, 2:07:21.5.
7. Thomas Almgren, Norway, 2:07:21.5.

8. Thomas Almgren, Norway, 2:07:21.5.
9. Thomas Almgren, Norway, 2:07:21.5.
10. Thomas Almgren, Norway, 2:07:21.5.

11. Thomas Almgren, Norway, 2:07:21.5.
12. Thomas Almgren, Norway, 2:07:21.5.
13. Thomas Almgren, Norway, 2:07:21.5.

14. Thomas Almgren, Norway, 2:07:21.5.
15. Thomas Almgren, Norway, 2:07:21.5.
16. Thomas Almgren, Norway, 2:07:21.5.

17. Thomas Almgren, Norway, 2:07:21.5.
18. Thomas Almgren, Norway, 2:07:21.5.
19. Thomas Almgren, Norway, 2:07:21.5.

20. Thomas Almgren, Norway, 2:07:21.5.
21. Thomas Almgren, Norway, 2:07:21.5.
22. Thomas Almgren, Norway, 2:07:21.5.

23. Thomas Almgren, Norway, 2:07:21.5.
24. Thomas Almgren, Norway, 2:07:21.5.
25. Thomas Almgren, Norway, 2:07:21.5.

26. Thomas Almgren, Norway, 2:07:21.5.
27. Thomas Almgren, Norway, 2:07:21.5.
28. Thomas Almgren, Norway, 2:07:21.5.

29. Thomas Almgren, Norway, 2:07:21.5.
30. Thomas Almgren, Norway, 2:07:21.5.
31. Thomas Almgren, Norway, 2:07:21.5.

32. Thomas Almgren, Norway, 2:07:21.5.
33. Thomas Almgren, Norway, 2:07:21.5.
34. Thomas Almgren, Norway, 2:07:21.5.

ICE HOCKEY

HOCKEY MEDAL

1st Period—F.J. Kari (E. Tikkanen, A. Miettinen), 1-0.
2nd Period—C. R. Brindley (A. Foch), 1-0.
3rd Period—C. R. Brindley (A. Foch), 1-0.

4. Canada (F. Kari, E. Tikkanen, A. Miettinen), 1-0.
5. Finland (C. R. Brindley, A. Foch), 1-0.
6. Czech Republic (F. Kari, E. Tikkanen, A. Miettinen), 1-0.</

Herald Tribune WINTER OLYMPICS

PAGE 20

MONDAY, FEBRUARY 23, 1998

As Games Sprawl, Are They Better?

By George Vecsey
New York Times Service

NAGANO, Japan — It seems like a very long time ago — during the Edo Dynasty, I believe — that I wrote that the 1998 Winter Games were now official because the Great Gretzky and the Mighty Kwan had arrived.

Turns out I was barking up the wrong palm tree. (My guide book tells me there are

VANTAGE POINT

palm trees right here in Nagano Prefecture. I never saw one, but maybe I was always sitting on the wrong side of a hellish number of press buses.)

The Mighty Kwan did not win a gold medal and the Great Gretzky did not win a medal at all, but their search for gold was surely a major theme in these dramatically skewed Winter Games — the indoor games and the outdoor games, the downtown games and the mountain games.

I did my best to cover these Games on my own lumpy theory that Gretzky and Kwan were the hot tickets, but I kept hearing reports of the Hermitator, a human cannonball of a skier who won two gold medals. I never met the man. I was always on a bus.

What I am trying to say is that the Winter Games now sprawl unglamorously for 16 very long days.

What are we going to do with these Winter Games? I don't really care if CBS, the U.S. television network, made a good investment in paying for all these lugers and bobsledders — and being here, I didn't have to watch any of it — but I do wonder if the Winter Games are going in the right direction.

Tell me if I'm crazy, but isn't the appeal of the Winter Games rooted in a simpler time?

When I hear names like Chamonix and St. Moritz and Lake Placid and Garmisch-Partenkirchen, I conjure up images of athletes in bulky sweaters twirling and flying outdoors in elegant ski resorts, far from the grime and bustle of civilization.

Sonja Henie. Dick Button. Peggy Fleming. I actually think the Olympic movement still sells the Winter Games on that dated premise of elegance and simplicity.

The Winter Games have got big and bloated as more nations, to say nothing of women, have discovered the joy of whacking other people

with sticks or flying through air with boards strapped to their feet. The Games now need thousands of technicians, system-support people, camera luggers, brutes wielding boom microphones.

All of these people need rooms, need food, need transportation, need places to work. The Winter Games now need moderate-sized cities just to support the wretched foot soldiers who schlep from site to site so people in New York and Vancouver and Sydney and Tokyo and Berlin can watch in their appointed time zones.

The Nagano Games were closer to the equator than Winter Games had been before. Sometimes there was too much snow up in the hills, but down here in Almost Heaven, West Nagano, the weather has been soupy and temperate enough to provide an ideal breeding ground for a bronchial flu that is sure to circle the globe as we back and wheeze our way homeward.

The Summer Games just might have become big and bawling, a potential drain on unsuspecting host cities. This year the International Olympic Committee included snowboarding in the Winter Games, and a Canadian gold medalist tested positive for a minuscule amount of marijuana. He insisted he contracted it by taking deep breaths around his buds at a party months ago. If the bloke were American, he could become president by telling stories like that with a straight face.

The IOC also imported a legion of 125 professional hockey players to represent their homelands. I took great delight in the final game Saturday — the Czech Republic against Russia for a mythical Alexander Dubcek Memorial Trophy — while the Yanks and the Canadians are long gone with no medals at all.

The downside to this deal with the devil is that a few loutish Yanks tore up their suite in the Athletes Village. You bring in surly millionaires for a midwinter sabbatical, and you take your chances. Did Dick Button ever trash a suite in St. Moritz or Oslo? I doubt it.

The Winter Games keep reaching. In four years, Salt Lake City will become the biggest city to be host to the Winter Games. Presumably, the Hessians from the National Hockey League will be back, and so will the snowboarders with their vapid smiles.



Czech goalie Dominik Hasek saving a shot by Russian forward Alexei Zhamnov during the final on Sunday.

Olympics Muddle the Hockey Picture

By Joe Lapointe
New York Times Service

NAGANO, Japan — Ron Wilson, the coach of the U.S. men's hockey team, sat in Big Hat arena late last week, watching teams of rival coaches in the semifinals of the Olympic tournament.

Most of Wilson's players already had returned to the United States, but Wilson remained. He wore a black cowboy hat. Any movie buff could see the symbolism: The bad guy wore the black hat in Hollywood westerns.

Wilson was not personally a villain, but his hat stood as a symbol for his players, who had become notorious around the Winter Games. Throughout Big Hat much of last week, the chatter was about the off-ice behavior of these elite National Hockey League players who won only one of four games and looked disorganized and frustrated on ice.

Off ice, early in the week, some American players were sighted in local bars in the early hours of the morning. After they were eliminated by the Czech Republic in the quarterfinals, some U.S. players returned to the Athletes Village and broke chairs, broke a table, broke a door, squirted fire extinguishers and threw several objects, including a bicycle, from the fifth-floor balcony.

They caused \$3,000 in damage, according to Olympic officials. The racket awakened other athletes. In symbolic terms, the American players gave their nation's hockey image a black eye, a bloody nose and a few broken teeth. Their tour of duty here amounted to a 10-day misconduct.

Plenty of hockey players did compete with honor and dignity. Among them were the members of the American women's team, who won gold medals with a victory over Canada. In the closing ceremonies, Cammie Granato carried the American flag.

With the Czechs winning gold, the

Russians silver and Finland bronze, it was a medal sweep for Europe on the wider ice surface on which most European players learn the game.

Now players from various nations return to their NHL teams to finish the last 10 weeks of the regular season before two months of Stanley Cup playoffs. The NHL Players Association must assess the overall impact of shutting down the league for more than two weeks to send the best professionals to the Winter Games for the first time.

Did the effort help or hurt the marketing of hockey in the United States? Was it worth the injuries to Canada's Joe Sakic of the Colorado Avalanche and Finland's Teemu Selanne of the Anaheim Mighty Ducks? Will the shutdown hurt fan interest, television audiences and arena attendance for the remainder of the season? Should the league again close down and send its players to the Olympics for the Winter Games in Salt Lake City in 2002? Did the NHL suffer by the success of the European teams and the failures of the United States and Canada, where the NHL does business?

"Too many people in North America are equating our coming to the Olympics with the success of their home teams," said Gary Bettman, the NHL commissioner. "I think it was a great tournament. This has been a positive experience, but there is a whole broader picture it fits into."

Bettman said the league and the union would review the experience next summer and decide, possibly then, about 2002. Curiously, the winning Czech team had the fewest NHL players — 11 — among the "Big Six" teams who arrived after eight others began their preliminary round. Bettman said he "wouldn't read too much into that" because the Czech goalie Dominik Hasek, who plays for the Buffalo Sabres, was the most valuable player in the NHL last season, and the Czech forward

Jaromir Jagr of the Pittsburgh Penguins is one of the league's best players.

After the final, Slava Lerner, the Czech coach, said the larger ice surface at the Olympics had helped the European teams, who were used to it, and hurt the North American teams.

Vladimir Yurzinov, the Russian coach, said the tournament might teach North Americans to respect European hockey more than they do now. The NHL takes the good European players, he said, using Europe as a farm club and diminishing European leagues.

"Some sort of reciprocity and mutual respect should be in order," Yurzinov said. Too many promising European players disappear in North American minor leagues, and that loss of talent to North America is bad for attendance in European leagues.

Bob Clarke, the general manager of the Canadian team, which finished fourth with a record of 4-2, alluded to the chauvinism of North Americans, particularly Canadians, who think hockey is uniquely their game.

"We are Canadians, we love our sport and there is a passion for our sport," Clarke said. "But, if we don't recognize that our opponents are as good as us, we won't beat them."

Besides the wider ice, Wilson noted that players couldn't hook and hold as much as they do in the NHL because the players are spread out more. The ice itself, and the sideboards, had none of the advertising that clutters NHL rinks.

The games were played at a brisk pace because there were no television timeouts. And there was no fighting.

In the news conference after the final, one of the questions was about money. Robert Reichel smiled and spoke into his microphone.

"We don't care about money!" said Reichel, who plays for the Islanders. "We care about this!" As he said it, he held up the gold medal and smiled.

Czechs Shut Out Russia for Gold

Finland Overcomes Canada, 3-2

By Rachel Alexander
Washington Post Service

NAGANO, Japan — The goaltender Dominik Hasek was only 3 years old in 1969, when Czechoslovakia secured the biggest victory in the country's history by defeating the Soviet Union in the world championships. Now 33, he has managed to better that legend, giving the Czech Republic its first Olympic gold medal in hockey with a 1-0 victory over Russia.

The 1969 victory came less than a year after the Soviets rolled tanks into the center of

Prague. The victory Sunday was more about pride in the Czech Republic, split from Slovakia since 1993, than about beating the Russians. This was about the accomplishment of a team from a small country, a team with the tournament's best goaltender and one of its better forwards, but not much else besides a strong belief in itself.

"My parents still talk about the 1969 game," said Petr Svoboda, the defenseman who scored the game's only goal midway through the third period. "Beating the Russians is still a big thing for that generation."

Jaromir Jagr, the team's most recognized player, had hit the post earlier. The scene at Big Hat arena, wild with red, white and blue flags from both countries, was different from the subdued atmosphere that hung through the building less than 24 hours earlier. Then, a mostly Canadian crowd had watched Finland claim the bronze medal in a 3-2 upset of Canada, despite the absence of Finland's top goaltender and superstar forward Teemu Selanne. The result dealt the final blow to North American hockey at this tournament: Neither Canada nor the United States left here with a medal, despite being heavy favorites.

"I know a lot of people through North America are heartbroken," said Marc Crawford, the Canada coach. "I think that every one of us is hurting a great deal right now."

The Canadians had looked sallow ever since Friday, when the Czechs eliminated them from the semifinals in a dramatic penalty-shot

tiebreaker. Hasek, who stopped all five Canadian shooters in that game, was brilliant again Sunday, saving shots from positions that would make a goalie coach cringe. The moves worked for Hasek, who earned continuous chants of praise from the crowd at Big Hat arena and back in Prague, where several large-screen televisions had been set up in public squares so people could watch the game.

After Friday's victory, those same streets in Prague were flooded with joyous fans, many holding signs that read, "Hasek for President." After Sunday, the Czech celebrants may want to add Svoboda to the ticket. The Czechs had several good chances on goaltender Mikhail Shtalenkov, but it was Svoboda who finally broke through on a slap shot from the left point 3 minutes, 8 seconds into the third period.

The Russians were never able to get through Hasek, and the Czechs finally added a gold medal to their Olympic collection. When unified with Slovakia, they had won four silver medals and four bronze, but had been thwarted by the Soviet Union each time they threatened to win the Olympic tournament.

The Czech victory was another upset in a tournament, in which Canada, the United States and Sweden were all expected to win medals.

Finland's bronze medal was also something of a surprise, and Selanne, out with a pulled stomach muscle, believed it was a major statement about European hockey.

Finland was outshot, 34-15, but the backup goaltender Ari Sulander, playing in place of a benched Jarmo Myllys, was everywhere for his teammates.

The Canadian goaltender, Patrick Roy, spectacular in the game Friday against the Czechs, was not as sharp, giving up more goals than in any other game of the tournament. The winner, scored by Ville Peltonen on a power play just 17 seconds into the third period, bounced off Roy and into the net.

Roy also gave up goals to NHL forwards Jere Lehtinen and Jari Kurri. It was the last international game for Kurri and Canada's Wayne Gretzky, both part of the Edmonton Oilers' dynasty of the 1980s.

Winton to

Finland Overcomes Canada, 3-2

By Rachel Alexander

NAGANO, Japan — The goaltender Dominik Hasek was only 3 years old in 1969, when Czechoslovakia secured the biggest victory in the country's history by defeating the Soviet Union in the world championships. Now 33, he has managed to better that legend, giving the Czech Republic its first Olympic gold medal in hockey with a 1-0 victory over Russia.

The 1969 victory came less than a year after the Soviets rolled tanks into the center of

Prague. The victory Sunday was more about pride in the Czech Republic, split from Slovakia since 1993, than about beating the Russians. This was about the accomplishment of a team from a small country, a team with the tournament's best goaltender and one of its better forwards, but not much else besides a strong belief in itself.

"My parents still talk about the 1969 game," said Petr Svoboda, the defenseman who scored the game's only goal midway through the third period. "Beating the Russians is still a big thing for that generation."

Jaromir Jagr, the team's most recognized player, had hit the post earlier. The scene at Big Hat arena, wild with red, white and blue flags from both countries, was different from the subdued atmosphere that hung through the building less than 24 hours earlier. Then, a mostly Canadian crowd had watched Finland claim the bronze medal in a 3-2 upset of Canada, despite the absence of Finland's top goaltender and superstar forward Teemu Selanne. The result dealt the final blow to North American hockey at this tournament: Neither Canada nor the United States left here with a medal, despite being heavy favorites.

"I know a lot of people through North America are heartbroken," said Marc Crawford, the Canada coach. "I think that every one of us is hurting a great deal right now."

The Canadians had looked sallow ever since Friday, when the Czechs eliminated them from the semifinals in a dramatic penalty-shot

tiebreaker. Hasek, who stopped all five Canadian shooters in that game, was brilliant again Sunday, saving shots from positions that would make a goalie coach cringe. The moves worked for Hasek, who earned continuous chants of praise from the crowd at Big Hat arena and back in Prague, where several large-screen televisions had been set up in public squares so people could watch the game.

After Friday's victory, those same streets in Prague were flooded with joyous fans, many holding signs that read, "Hasek for President." After Sunday, the Czech celebrants may want to add Svoboda to the ticket. The Czechs had several good chances on goaltender Mikhail Shtalenkov, but it was Svoboda who finally broke through on a slap shot from the left point 3 minutes, 8 seconds into the third period.

The Russians were never able to get through Hasek, and the Czechs finally added a gold medal to their Olympic collection. When unified with Slovakia, they had won four silver medals and four bronze, but had been thwarted by the Soviet Union each time they threatened to win the Olympic tournament.

The Czech victory was another upset in a tournament, in which Canada, the United States and Sweden were all expected to win medals.

Finland's bronze medal was also something of a surprise, and Selanne, out with a pulled stomach muscle, believed it was a major statement about European hockey.

Finland was outshot, 34-15, but the backup goaltender Ari Sulander, playing in place of a benched Jarmo Myllys, was everywhere for his teammates.

The Canadian goaltender, Patrick Roy, spectacular in the game Friday against the Czechs, was not as sharp, giving up more goals than in any other game of the tournament. The winner, scored by Ville Peltonen on a power play just 17 seconds into the third period, bounced off Roy and into the net.

Roy also gave up goals to NHL forwards Jere Lehtinen and Jari Kurri. It was the last international game for Kurri and Canada's Wayne Gretzky, both part of the Edmonton Oilers' dynasty of the 1980s.

The Canadians had looked sallow ever since Friday, when the Czechs eliminated them from the semifinals in a dramatic penalty-shot

tiebreaker. Hasek, who stopped all five Canadian shooters in that game, was brilliant again Sunday, saving shots from positions that would make a goalie coach cringe. The moves worked for Hasek, who earned continuous chants of praise from the crowd at Big Hat arena and back in Prague, where several large-screen televisions had been set up in public squares so people could watch the game.

After Friday's victory, those same streets in Prague were flooded with joyous fans, many holding signs that read, "Hasek for President." After Sunday, the Czech celebrants may want to add Svoboda to the ticket. The Czechs had several good chances on goaltender Mikhail Shtalenkov, but it was Svoboda who finally broke through on a slap shot from the left point 3 minutes, 8 seconds into the third period.

The Russians were never able to get through Hasek, and the Czechs finally added a gold medal to their Olympic collection. When unified with Slovakia, they had won four silver medals and four bronze, but had been thwarted by the Soviet Union each time they threatened to win the Olympic tournament.

The Czech victory was another upset in a tournament, in which Canada, the United States and Sweden were all expected to win medals.

Finland's bronze medal was also something of a surprise, and Selanne, out with a pulled stomach muscle, believed it was a major statement about European hockey.

Finland was outshot, 34-15, but the backup goaltender Ari Sulander, playing in place of a benched Jarmo Myllys, was everywhere for his teammates.

The Canadian goaltender, Patrick Roy, spectacular in the game Friday against the Czechs, was not as sharp, giving up more goals than in any other game of the tournament. The winner, scored by Ville Peltonen on a power play just 17 seconds into the third period, bounced off Roy and into the net.